**TORBAY COUNCIL AND PLYMOUTH CITY COUNCIL**

**Commissioning Support and Accommodation for Care Leavers and Young Homeless People**

**Market Consultation on Proposed Pricing Model**

Torbay Council and Plymouth City Council are working in partnership to commission a new framework of support and accommodation for young people in care and care leavers aged 16 to 25.

In addition, Torbay Council also wants to include a range of supported accommodation options for homeless young people aged 16 to 25.

It is proposed that this framework will meet both requirements by providing:

1. A range of semi -independent support and accommodation for use by Torbay and Plymouth
2. Supported lodgings for those aged 16+ in care, care leavers and young homeless people, in particular those aged 16/17 years old; for Torbay young people only
3. Flexible outreach support for young people in care, care leavers and young homeless people, for Torbay and Plymouth.

Commissioners want to ensure value for money and that pricing for provision is reflective of the level of support that a young person needs, acknowledging that this can vary according to the young person’s circumstances, level of risk, history and readiness for independence.

This means that we expect that pricing may differ or vary according to the young person’s journey through services.

Market engagement events have taken place in July and September 2019 to help inform development of the service specification. The September event included discussion around pricing and feedback was obtained on a pricing mechanism. This involved ‘banding’ provision according to the pathway the young person has followed in accessing the placement and core principles as set out below:

1. Pricing bands determined by the journey of the young person:

*Band 1:* Sudden breakdown of care placement or relationship with family members/Assessment/crisis response – for Looked after Children/ Late entrants to care

*Band 2*: Ongoing support – for Looked after Children/care leavers /Section 20/pending assessment/complex homeless YP refusing S20

*Band 3*: Transition to independence/Prevention - for Looked after Children/ care leavers /section 20/ homeless young people.

2) Core service elements to be priced

3) Setting a maximum level for administration fees

4) Separate pricing for additional support hours for more complex young people/sudden crisis

5) Pricing review mechanism

Feedback from the market around the proposed banding pricing model told us:

* Clarity is required about what support is paid for and the expectations for the different levels
* Quality and consistency of LA referral information will impact on price/banding offered and who decides the banding
* High percentage of placements are emergency/unplanned/complex
* Issue of fixed overheads for providers (staffing, rent/mortgage)
* How to ensure assessing needs is not financially motivated (i.e. to keep a young person at a higher level for longer)
* Needs more detail attached to support hours demanded by needs
* Managing complexity/avoiding sudden changes leading to potential placement breakdown
* Need to avoid moving YP from one placement to another due to banding of accommodation
* Need for robust pathway planning

As a result of the feedback we wish to consult further with the provider market to ensure that the commercial model that we include in the framework tender is one that providers will respond to positively. To this end we are consulting via the Supplying the South West e-procurement portal to achieve maximum engagement in this discussion, rather than holding another stakeholder event.

**The revised proposals are as follows:**

We wish to maintain the principles as set out previously and price according to the journey/access route of the YP into the provision. However within those bandings we set thresholds for support hours to be delivered at a particular rate. We want to see a range of hours within each banding so they can be adjusted to meet the needs of young people.

If there is need for additional hours for sudden crisis then these can be at agreed at a separate hourly rate for a specified period of time, or via wrap around support provided via the placing Authority, according to the circumstances and needs of the young person. All care leavers/LAC will enter provision on band 1 to allow time to settle and be assessed, facilitating more effective identification of needs before moving onto the “ongoing Support band”. This addresses the concerns around the high number of emergency/unplanned placements.

If the young person is not ready to move to the lower level of support, or needs to go back up a level, this will be achieved via a support/pathway plan review and has to be approved by the placing Authority.

This will avoid moving young people between placements unless absolutely necessary and support providers to work more flexibly within provision, and provide continuity to the young person whilst their independence increases.

**The revised model is illustrated below. We have deliberately left blank the proposed hours that would be required within each banding, and the length of time that each banding might apply. This is because it is important to us that the Provider market is closely involved in developing the pricing model. We therefore want providers to tell us what they think is appropriate, rather than Commissioners being prescriptive.**

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| **Pricing Band** | **Pathway/need** | **Status of Young Person** | **Description of Support Required** | **Hours/Rate** |
| **Band 1** | **Sudden breakdown of care placement or relationship with family members /Assessment/crisis response** | Looked after Children/ Late entrants to care | Likely to need higher levels of staffing, at least initially. This is most likely to be 24/7 support in a smaller provision. These young people are likely to be difficult to engage, having experienced multiple rejections. Some may be late entrants to care.  Support to facilitate assessment for those young people who are late entrants to care (aged 16+), where information in relation to their needs is limited, or those on the edge of care where assessment is required, including homeless 16/17 year olds.  Band 1 provision will focus on stabilisation and understanding the reason for the young person’s current presentation. Intensive support and engagement will be provided to facilitate identification of and preparation for appropriate step down into less intensive support or move-on. This may also include outreach support as the young person moves into their next placement to provide continuity. | Entry rate:  Between x and x hours per week for a maximum of x weeks |
| **Band 2** | Ongoing support | Looked after Children/care leavers /Section 20/pending assessment/complex homeless YP refusing S20 | Ongoing support for young people in care, care leavers or homeless young people once their needs are understood. Promotion of, and support to engage with education, training, employment and volunteering opportunities  Will include outreach support to facilitate return home (where safe and appropriate) and prevent homelessness or entry to care. | Between x and x hours per week for the duration set out in the care/support plan agreed with Social Worker/young person |
| **Band 3** | Transition to independence/Prevention | Looked after Children/ care leavers /section 20/ homeless young people | Move on accommodation, low level supported accommodation and outreach support for young people leaving care placements, and young people who are homeless as defined by the Homelessness Reduction Act 2017. Development and enhancement of independence skills and understanding of the knowledge and skills required to manage their own home, including maximisation of income, benefits, debt management, tenancy training.  Promotion of and support to engage with education, training, employment and volunteering opportunities.  Requires lower staffing levels, but a focused approach to improving young people’s independence skills and preparation for adult life. Includes outreach support pre and post tenancy and brief/targeted interventions to prevent homelessness/crisis.  Requires the Provider to “reach in” to the current placement to support the young person to feel confident to step out towards independence. | Up to x hours per week for maximum of x weeks |

In all cases it is proposed that the length of time a young person remains in placement overall will be dependent upon individual needs and the age that they entered the service.

**Pricing Model Consultation Questions**

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|  | **Question** | **Response** |
| **1** | What should be the threshold hours for each banding level? Should these be fixed or be able to be varied between different providers, dependent on what can be offered? |  |
| **2** | If not please suggest how these might change. |  |
| **3** | Does this model achieve a balance to allow for provider’s fixed costs, the need to avoid moving young people from one provision to another, flexibility to price according to YP changing needs and providing contingency in terms of additional support hours in the event of crisis or increased complexity? |  |
| **4** | Does the model provide sufficient clarity to providers of the general expectations of support within the bandings? (detail would be in the individual’s care/support plan). If not what else is needed? |  |
| **5** | Would this model give providers sufficient certainty in terms of fee levels? |  |

**PLEASE RESPOND BY CLOSE OF PLAY ON THURSDAY 7TH NOVEMBER 2019 EITHER BY EMAILING YOUR RESPONSE TO [COMMISSIONING@TORBAY.GOV.UK](mailto:COMMISSIONING@TORBAY.GOV.UK) OR VIA THE SUPPLYINGTHESOUTHWEST e PORTAL.**