

CABINET

30 SEPTEMBER 2014

GATEWAY 1 PROCUREMENT COMMENCEMENT: TRANSFER OF THE OLD VICARAGE TO THE INDEPENDENT SECTOR

Portfolio Holder: Councillor Mike O'Brien, Children's Services (Lead Member)

Report from: Barbara Peacock, Director of Children and Adults Services

Authors: Dana Marrett, Interim Commissioning Manager
Kate Barrett, Category Lead

SUMMARY

This report seeks permission to commence the procurement of transferring The Old Vicarage children's home to the independent sector through competitive tendering for a period of 5 years with provision to extend for a further 2 years. This Gateway 1 Report has been approved for submission to Cabinet after review and discussion at the Children and Adults Directorate Management Team (CADMT) Meeting on 5 August 2014 and Procurement Board on 13 August 2014.

The CADMT and Procurement Board also reviewed and discussed the proposal to develop semi-independent accommodation at The Old Vicarage; and approved the proposal/funding.

Procurement Board also requested that an options appraisal detailing the benefits and challenges of using the current site and potential alternatives to using the current site be completed for Cabinet to consider on 30 September 2014.

The Children and Adults Directorate Management Team has recommended that the transfer of The Old Vicarage and the development of two semi-independent units be approved as a Category B, high-risk procurement in accordance with Medway Council's risk rating criteria.

The Old Vicarage is a Local Authority children's home established in April 1996. Following an Ofsted inadequate rating in December 2012, the management was transferred to Northern Care. In July 2013 a full Ofsted inspection found it had improved to adequate. An interim Ofsted inspection in March 2014 concluded that good progress had been made.

A good quality children's home in Medway for Medway children will reduce the number of placements (often more expensive) outside the Local Authority (often more than 20 miles away).

1. BACKGROUND INFORMATION

1.1 Budget & Policy Framework

1.1.1 The cost of this service will be met from existing budgets. The building work for the development of semi-independent accommodation for two of Medway's care leavers will require capital funding and this will be subject to Full Council approval on 16 October 2014.

1.2 Service Background Information

1.2.1 The Old Vicarage is a Local Authority children's home established under the Children Act 1989 and managed in accordance with Medway Council's policies/procedures; practice guidance for Children's Residential Services; The Children's Homes Regulations; Ofsted registration requirements; and all other relevant statutory duties/responsibilities.

1.2.2 Established in April 1996 the Old Vicarage is currently registered as a 6 bed children's home that provides residential care for young people of either gender between the ages of 12-17 years. An extension to the building was completed in 2009.

1.2.3 Referrals/placements at the home are for looked after young people who have complex emotional and behavioural difficulties as a consequence of childhood trauma and attachment disorders; most commonly associated with domestic violence, substance misuse, mental health problems, neglect or abuse [or any combination of these]. Parents/carers are unable to care for them, prioritise or meet their needs, or keep them safe from harm.

1.2.4 The Old Vicarage's primary aims are to provide a safe and caring environment for young people; to meet their individual needs and improve outcomes; and to improve opportunities/life chances and become successful adults.

1.2.5 Following an inadequate Ofsted rating in December 2012, the management of the home was transferred through competitive tender to Northern Care. This contract is due to expire in July 2015.

1.3 Funding/Engagement From External Sources

- Funding is from existing Medway Council budgets.
- Medway will work in partnership with the current provider to progress the development of the semi-independent provision. Following a site visit the initial feedback from the Planning have

been very positive. A planning application will be submitted by Building & Design by 26 September 2014. The estimated timescale for a formal decision is approximately 8 weeks. Completion of works required following a successful application is estimated at 3 months. There are no risks currently identified with regard to meeting these timescales.

- Ofsted will be consulted regarding the changes to provision at The Old Vicarage.

1.4 Parent Company Guarantee/Performance Bond Required

- 1.4.1 A performance bond is required as the contract value is over £250,000.

2. PROCUREMENT DEPENDENCIES AND OBLIGATIONS

2.1 Project Dependency

- 2.1.1 This procurement will be linked to the proposed onsite semi-independent accommodation for two of Medway's care leavers if planning permission is granted and Full Council approval is obtained on 16 October 2014.

An onsite visit to The Old Vicarage with the Planning Department on 8 September 2014 resulted in positive feedback on the feasibility of the project from the attending Planning Officer. Building and Design will now submit the Planning Application. We are advised that a formal approval decision will be made within approximately 8 weeks of being received.

2.2 Statutory/Legal Obligations

- The Ofsted Inspection Framework for Children's Homes.
- The Care Planning, Placement and Review Regulations (2010).
- The Sufficiency Duty: Statutory Guidance on Securing Sufficient Accommodation for Looked After Children (2010).
- The Children Leaving Care Act 2000.
- Care Leavers Regulations 2010.
- Statutory guidance 'Planning Transition to Adulthood for Care Leavers' (2011).
- Section 22(3) of the Children Act 1989 which sets out the general duty of the Local Authority looking after a child to safeguard and promote the welfare of that child.
- The Children and Young Person's Act 2008.

3. BUSINESS CASE

3.1 Procurement Project Outputs / Outcomes

As part of the successful delivery of this procurement requirement, the following procurement project outputs / outcomes within the table below have been identified as key and will be monitored as part of the implementation process.

Outputs / Outcomes	How will success be measured?	Who will measure success of outputs/ outcomes	When will success be measured?
Effective, consistent and innovative leadership and management	Successful Ofsted registration and inspections Workforce development and retention Deliver service within budget Meet or exceed statutory duties Evidence of continuous improvement activity supported with rigorous quality assurance Management of strategic and service level risks Engender a culture of partnership working, collaboration and multi-disciplinary approach to meeting the individual needs of young people Evidence/research based practice	Partnership Commissioning Team	Success will be measured as a minimum at quarterly Contract/Compliance Monitoring meetings, Ofsted inspections and Gateway 4 reports.
Care and Developmental Progress of Children	The needs of all young people are met and their outcomes are improving, particularly in relation	Children's Social Care and Partnership Commissioning Team	Success will be measured during the young person's Assessment, Care Plan and Review. These will also be

and Young People	<p>to health and education</p> <p>Safeguarding and protection of young people</p> <p>Provision of a 'home' and 'family' environment</p> <p>Developing independence and preparation for success in adulthood</p> <p>Celebration of success – recognising positive step changes made by the young person</p>		<p>measured as a minimum at quarterly Contract/Compliance Monitoring meetings, Ofsted inspections and Gateway 4 reports</p>
Participation and involvement of children and young people.	<p>The participation and involvement of children and young people in all decisions that affect their lives (based on Gillick and Fraser competencies)</p> <p>Young people have access to advocacy, independent visitors and mentors</p> <p>Young people's complaints are handled appropriately and swiftly</p>	Children's Social Care and Partnership Commissioning Team	<p>Success will be measured during the young person's Assessment, Care Plan and Review. These will also be measured as a minimum at quarterly Contract/Compliance Monitoring meetings, Ofsted inspections and Gateway 4 reports</p>
Contract awarded to supplier demonstrating highest levels of quality and value for money	Contract award following approval of Gateway 3	Procurement Board, Cabinet, Partnership Commissioning and Category Management	Gateway 3, contract start date and ongoing contract review meetings, Gateway 4, Ofsted inspections
Development of the service to support a	Young people placed within the	Children's Social Care and	Development of the service to support a wider need of young people, including

wider need of young people, including semi-independent step down provision for young people in Medway	semi-independent provision maintain their independence and the level of support they need reduces over time	Partnership Commissioning will monitor the level of support for the young person.	semi-independent step down provision for young people in Medway
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3.2 Procurement Project Management

3.2.1 This procurement will be managed by the Partnership Commissioning Team in conjunction with Children's Social Care, with support from Category Management. Children's Social Care has responsibility for the detail of the technical specification. Partnership Commissioning will support the development of the specification and evaluation of the returned submissions during the tender process. Category Management will ensure adherence to procurement legislation and Medway Council's contract procedure rules and facilitation of a successful open tender process.

3.3 Post Procurement Contract Management

3.3.1 Contract management will be undertaken by the Partnership Commissioning Team. This will be managed through regular contract review meetings and via annual reporting as part of the gateway process supported by Category Management, as well as regular proactive compliance monitoring. Children's Social Care will also have a role in post procurement contract management via the individual assessments and reviews of the young people living in The Old Vicarage.

4. MARKET CONDITIONS AND PROCUREMENT APPROACH

4.1 Market Conditions

4.1.1 The DfE Children's Home Data Pack 2013 [updated in July 2014] states that of 1,718 children's homes in England, 371 [22%] were local authority owned/run; and 1,347 were in the private and voluntary sector. This is a clear indication of significant shift in the market with private provision dominating. Medway and the surrounding areas have a high number of providers who already provide services for looked after children and care leavers who are likely to be interested in tendering for this contract.

4.2 Procurement Process Proposed

4.2.1 For the procurement exercise relating to the Transfer of The Old Vicarage to the independent sector, the OJEU Open Procedure will be used.

4.2.2 The CADMT and Procurement Board reviewed and discussed the proposed plans to develop a semi-independent provision at The Old Vicarage; and approved the proposal and funding from existing budgets.

4.2.3 If the development of semi-independent provision is approved at The Old Vicarage a separate procurement exercise will be conducted for this building work.

4.2.4 Procurement Board recommended the proposal for semi-independent accommodation for two care leavers to be presented to Cabinet on 30

September 2014 and Full Council on 16 October 2014 to seek approval to add the scheme to the Capital Programme (Please see Appendix A for further details).

4.2.5 Procurement Board also requested that an options paper be completed in respect of the suitability of the current site and potential alternatives for accommodation to be presented to Cabinet for consideration on 30 September 2014 (further information is set out in the Exempt Appendix). The recommended option is that accommodation is developed onsite at the Old Vicarage.

4.3 Evaluation Criteria

4.3.1 It is proposed to evaluate tenders on a 60% quality and 40% price basis. The greater weighting has been placed on quality of provision, as high level service standards need to be achieved whilst minimising the cost through encouraged competition.

5. RISK MANAGEMENT

5.1 Risk Categorisation

1. Risk Category: Service/Contractual Delivery	Likelihood:	Impact:
<p>Outline Description: Medway Council does not place looked after children in any children's home which has been judged as 'inadequate' by Ofsted. There is a risk that the provider could be judged as inadequate during the lifetime of the contract.</p>	C	II
<p>Plans to Reduce Risk/Mitigate: Regular and vigorous contract management and compliance based on specific performance indicator sets as outlined in the Service Specification. An action plan will be instigated and monitored within a stringent time-frame. Lack of improved performance may lead to termination of the contract. Sustained oversight of monitoring of how the market is operating and planning accordingly.</p>		
2. Risk Category: Service/Contractual Delivery	Likelihood:	Impact:
<p>Outline Description: The provider may not meet the key performance indicators in the Service Specification</p>	C	II
<p>Plans to Reduce Risk/Mitigate: Vigorous contract/compliance monitoring on a quarterly basis as a minimum but more often if necessary</p>		
3. Risk Category: Financial	Likelihood:	Impact:
<p>Outline Description: The complex emotional needs and behaviours of the young people placed could cause costs to rise.</p>	B	II
<p>Plans to Reduce Risk/Mitigate: Regular budget management meeting Professionals meeting to review Care Plan</p>		
4. Risk Category: Reputation/Political	Likelihood:	Impact:
<p>Outline Description: If Ofsted's inspection judgements decline, this could potentially have a negative impact on the reputation of the Council.</p>	C	II

Plans to Reduce Risk/Mitigate: Regular and vigorous contract management and compliance based on specific performance indicator sets as outlined in the Service Specification. An action plan will be instigated and monitored within a stringent time frame. Lack of improved performance may lead to termination of the contract Sustained oversight of monitoring of how the market is operating and planning accordingly.		
5. Risk Category: Service Delivery	Likelihood:	Impact:
Outline Description: Planning permission may not be granted for 2 semi-independent units	C	III
Plans to Reduce Risk/Mitigate: It is not possible to reduce/mitigate the risk of planning permission being denied, however early indications from Conservation and Planning colleagues have indicated this option has potential to be progressed		
6. Risk Category: Procurement Process	Likelihood:	Impact:
Outline Description: The tendering process does not result in any suitable applicants.	E	II
Plans to Reduce Risk/Mitigate: The Service Specification is within the expected parameters for this market The local market is buoyant and market engagement will be undertaken		
7. Risk Category: Financial	Likelihood:	Impact:
Outline Description: The tendering process results in all suppliers being more expensive than the financial envelope available	E	II
Plans to Reduce Risk/Mitigate: Price per bed has been calculated based on the current market rate The price envelope will be made clear as part of the tender process		
8. Risk Category: Financial	Likelihood:	Impact:
Outline Description: Medway Council is unable to get out of the five year contract due to poor performance, a strategic change in direction or any other unforeseen circumstances.	C	II
Plans to Reduce Risk/Mitigate: Include contractual clauses that allow for contract notice to be given in these circumstances.		

9. Risk Category: Financial	Likelihood:	Impact:
Outline Description: The option to TUPE staff across to the new provider may not be agreed by them due to the pension costs related to this.	B	II
Plans to Reduce Risk/Mitigate: Put a contingency plan in place.		
10. Risk Category: Financial	Likelihood:	Impact:
Outline Description: Completion of the semi-independent accommodation may not be completed in time for the new provider to commence delivery.	D	II
Plans to Reduce Risk/Mitigate: Ensure that a robust project plan is in place in conjunction with Building & Design. Regular project meetings to track progress and manage any delay efficiently and effectively.		

6. CONSULTATION

6.1 Internal (Medway) Stakeholder Consultation

6.1.1 The portfolio holder for Children's Services (Councillor Mike O'Brien), in addition to staff and the unions, will be consulted before the procurement process commences and at key stages during the process.

6.2 External Stakeholder Consultation

6.2.1 The key external stakeholders that must be consulted at every stage of the procurement process are the young people and parents/carers where this is appropriate. Ofsted will also need to be consulted on the Council's intention for the Old Vicarage.

6.2.2 Initial consultation has already taken place with 5 of the 6 young people who currently live at The Old Vicarage.

6.2.3 The successful tenderer will be required to evidence stakeholder consultation and engagement that will be monitored throughout the term of the contract. This will ensure appropriate multi-agency approach is taken to delivering improved outcomes for young people.

6.2.4 The CCG will be briefed on the Council's intention for the home.

7. PROCUREMENT BOARD

7.1 The Procurement Board considered this report on 13 August 2014 and requested that the proposal/funding for semi-independent accommodation for two care leavers be approved separately from the procurement of the transfer of The Old Vicarage to the independent sector; with a separate report specifically relating to this to be presented to Cabinet on 30 September 2014 and Full Council on 16 October 2014 to authorise capital funding (Please see Appendix A for further details).

7.2 Procurement Board also requested that an options appraisal detailing the benefits and challenges of using the current site and potential alternatives to using the current site be completed for Cabinet to consider on 30 September 2014, further details of which are set out in the Exempt Appendix.

8. SERVICE IMPLICATIONS

8. Financial Implications

8.1.1 The procurement requirement and its associated delivery (as per the recommendations at Section 10.1), will be funded from the existing revenue budgets.

8.1.2 Further detail is contained within Section 2.1 Finance Analysis of the Exempt Appendix.

8.1.3 The capital budget required to develop the semi-independent accommodation for two of Medway Council's care leavers on site at The Old Vicarage children's

home was recommended at the CADMT on 5 August 2014 and at Procurement Board on 13 August 2014:

It was recommended that the £120,000 to complete the works required to develop the semi-independent provision for two care leavers be funded from the existing Adult Social Care capital budget. This includes £8,000 to fund the required support from Building & Design to complete feasibility and costs for the semi-independent provision; and for Property & Capital Projects to support all property related issues, including the value and lease of the building.

8.1.4 A management revenue code has been provided in the first instance to cover the initial spend for support services (£8,000) and costs will be transferred to the Capital Programme following approval at Full Council.

8.2 Legal Implications

8.2.1 The services which are under consideration in this report are Part B services, and so the requirement to comply with the formal publication procedures set out in the Public Contracts Regulations 2006 ("the 2006 Regulations") does not strictly apply.

8.2.2 However, the 2006 Regulations do require that procurement exercises to which the formal procedures do not apply should still follow the principles of non-discrimination, equal treatment, transparency, mutual recognition and proportionality, and using the OJEU Open Procedure gives a high degree of confidence that these requirements are met.

8.2.3 The proposed procedure gives a high degree of confidence that the Council's primary objectives for procurement are met, as required by Rule 1.2.1 of the Council's Contract Procedure Rules ("the CPRs").

8.2.4 Please note that the proposed procurement must also be advertised on the Kent Business Portal, in compliance with rule 3.3 of the CPRs.

8.3 TUPE Implications

8.3.1 The Transfer of Undertakings Protection of Employment Regulations will apply to the award of this contract on the grounds that there has been a transfer of an undertaking and a service provision change under the regulations. This is because services which were previously carried out by the council are to be provided by a contractor on the council's behalf.

8.3.2 Where there is a continuation of the same service following a transfer and employees are assigned to the service, the employees' contracts of employment will automatically transfer from Medway Council and the existing provider to the new contractor.

8.3.3 It is important that the respective obligations of both the transferor and transferee are undertaken in order to minimise legal challenges.

8.4 Procurement Implications

8.4.1 This service will be progressed through a open tender with an emphasis on the quality weighting to ensure the expertise required for the development of the service are achieved.

8.5 ICT Implications

8.5.1 ICT have recently installed thin client technology at this location, and so any ICT equipment currently in place which belongs to Medway Council, including circuit provision, would need to be removed prior to the building being transferred to the private sector. ICT would ask for formal notification prior to cessation of the ICT services so that the termination date is clarified.

9. OTHER CONSIDERATIONS

9.1 Diversity and Equality

9.1.1 The Council's General Conditions of Contract will be incorporated into the contract for this service and will provide the required adherence to the provisions of the Equality Act 2010. Officers will ensure that the Council's Equalities Policy will be followed during the proposed procurement process, including relevant evaluations of the provider's own policies/procedures and abilities to meet necessary requirements.

9.1.2 The Council's procedures relating to the completion of a Diversity Impact Assessment for this procurement is adhered to. [Please see Appendix B]

9.2 Social, Economic and Environmental Considerations

9.2.1 The Old Vicarage is situated in an 'Area of Local Landscape Importance' and also deemed to be in the Countryside. Whilst these factors place some restrictions on any building works, Building and Design advise that this should not affect the proposed semi-independent accommodation adversely.

10. RECOMMENDATIONS

10.1 The Cabinet is asked to approve the following:

10.1.1 The commencement of the procurement process for the transfer of The Old Vicarage children's home to the independent sector through competitive tendering for a contract period of 5 years with provision to extend for a further 2 years, using the OJEU Open Procedure as set out in paragraph 4.2.2.

10.1.2 The option to maintain ownership of The Old Vicarage property/site and the development of the semi-independent accommodation onsite, as set out in Appendix A to the report.

10.2 The Cabinet is asked to recommend to Full Council to add a scheme to the Capital Programme in the sum of £120,000 for the development of semi-independent accommodation for two care leavers onsite at the Old Vicarage property as set out in paragraph 8.1.3 of the report.

11. SUGGESTED REASONS FOR DECISION

11.1 This will allow the procurement process to begin in order for a new provider to be operational when the current contract concludes in order to ensure service continuity and a seamless transition for the young people at The Old Vicarage.

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BACKGROUND PAPERS

None

DEVELOPMENT OF SEMI-INDEPENDENT ACCOMMODATION FOR TWO CARE LEAVERS

Appendix A

1. SUMMARY

This report outlines the current arrangements for the provision of residential care at the Old Vicarage children's home. The home was previously operated as an 8 bed provision and currently operates as a 6 bed provision for children with severe emotional and behavioural needs following CADMT approval on 1 May 2014.

Further, it outlines the proposal to develop semi-independent accommodation for 2 care leavers.

This would ensure that every opportunity is made to maximise the use and occupancy of the property/site to best meet the needs of children who are looked after and leaving care in Medway; to meet the Sufficiency Duty and enable young people to live locally. This proposal and funding from existing budgets [£120,000] was recommended at CADMT on 5 August 2014 and at Procurement Board on 13 August 2014.

Looked After Children and Care Leavers in Medway

As a corporate parent, Medway Council is ambitious and aspirational for its looked after children and care leavers. The authority demonstrates its commitment and the prioritisation of improving outcomes for these young people through a number of strategic plans aimed at meeting individual needs and improving outcomes.

As at the end of March 2014 Medway Council had 378 looked after children and 202 care leavers.

Of the 35 children placed in children's homes at the end of March 2014, 10 [29%] were placed within 20 miles of their community/family/friends; including the 6 young people living at The Old Vicarage. The remaining 25 young people [71%] were placed over 20 miles from community/family/friends.

For all children in care, placements outside of the Medway boundary have increased from 33% in 2013 to 38% in 2014. The proposed semi-independent accommodation for two care leavers will support young people being placed in Medway, close to schools, community, family/friends and support services when they are ready familiar.

This will mean that these care leavers are in close proximity to staff who they have already formed good relationships with; and be able to access support quickly when needed whilst developing their independence skills in a safe and secure environment.

Predicted numbers relating to type and complexity of needs, unmet needs and future demand are currently being researched. This information will be needed to provide a stronger basis in the future to better inform decision making about commissioning and managing the provider market more effectively in order meet demand, minimise costs and maximise outcomes, quality and performance.

DEVELOPMENT OF SEMI-INDEPENDENT ACCOMMODATION FOR TWO CARE LEAVERS

Appendix A

The Old Vicarage

The Old Vicarage was previously a 6 bed home, however in 2009 the property was extended and became an 8 bed provision. The decision to expand was made in order to increase residential provision within Medway. However, due to the complex and severe emotional and behavioural needs of the young people being referred/placed, it has not been feasible for the home to operate at full occupancy and successfully meet the needs and improve the outcomes of individual young people at the same time. Notably, during the twelve month period prior to the report being written, occupancy averaged between 4-5 young people in place.

The demands related to meeting the complex individual needs and improving outcomes for eight young people would be profound, problematic and likely unattainable, even with increased staffing levels. It is best practice within children's residential homes to provide care to smaller numbers of looked after children, preferably no higher than 5 or 6. National research and national trends support the concept of lowering the number of young people living in children's homes in order to impact positively on improving outcomes, particularly when individual needs are deemed severe.

CADMT agreed to The Old Vicarage operating as a 6 bed home from 1 May 2014; providing care for young people with complex and challenging behaviours.

Maintaining a residential children's home in Medway in order to meet the Sufficiency Duty should be a prioritised key requirement. This would ensure that the council does not become totally reliant on commissioning external provision whilst proactively managing the risks associated with securing sufficient local provision.

Proposed Semi-Independent Provision

A scoping paper dated the 14 March 2014 was presented to CADMT regarding the future provision of the home and expanding the type of placement available to include semi-independent accommodation/support for care leavers.

For the most part, available semi-independent accommodation in Medway does not meet the required quality/performance standards at present and the ability to offer choice is very limited.

The feasibility and costings of three remodelling options to provide semi-independent accommodation for two young people has been undertaken. [Please refer to the Options Appraisal set out in the Exempt Appendix.]

Endorsement of this project will mean that the home will have places for up to six young people of either gender and aged between twelve years and eighteen years. In addition, two places will be separate from the main part of the home with private access and used to help prepare young people who have lived in the home for transition to semi-independence whilst they are living in their own accommodation; with personalised onsite support from staff who they have lived with, know and trust and with whom they already have positive and meaningful relationships.

Cabinet are asked to agree to the proposal to remodel The Old Vicarage on this basis.

DEVELOPMENT OF SEMI-INDEPENDENT ACCOMMODATION FOR TWO CARE LEAVERS Appendix A

The Property

The property is currently leased to Northern Care. This arrangement covers the two year life of the current contract and is therefore due to cease on 15 July 2015.

FINANCE

CADMT recommended the following funding from the existing Adult Social Care capital budget:

- £8,000 initial budget to fund the feasibility study, planning and costings that will be done by Building and Design; and the support we will need from Properties regarding the building and lease.
- £112,000 for building works required.

£120,000 Total

As this constitutes a new capital scheme it will require both Cabinet and Full Council approval. In the interim, a cost code has been provided for the £8,000 required for support services. This cost will be transferred when the capital scheme has been set up.

Note: If we are able to go ahead with the works, it is most likely, based on feedback from Building & Design, Conservation and Planning; that we will be constructing a timber frame building that will include two bedrooms/en-suite shower rooms and shared kitchen and bathroom. Initial feedback from the Planning Department is very positive. If Cabinet and Full Council approve the capital funding for the semi-independent provision; Building and Design will complete and submit an application to the Planning Department. It is estimated that a formal decision/response will take approximately 8 weeks from the date of receipt.

Diversity impact assessment –

Appendix B

TITLE <i>Name/description of the issue being assessed</i>	The Transfer of The Old Vicarage Children's Home to the Independent Sector; and the Development of Semi-Independent Accommodation for Two Care Leavers
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DATE <i>Date the DIA is completed</i>	Thursday 18 September 2014
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LEAD OFFICER <i>Name of person responsible for carrying out the DIA.</i>	Dana Marrett Interim Commissioning Manager Partnership Commissioning
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1 Summary description of the proposed change

- *What is the change to policy/service/new project that is being proposed?*
- *How does it compare with the current situation?*

The Old Vicarage children's home provides residential care for up to six young people with complex emotional and behavioural difficulties. In 2013, the management of the home was transferred to Northern Care who were contracted for a two year period that will end in July 2015.

A number of Medway Council employees were seconded to Northern Care as part of the contract. This was agreed on the basis that these staff would maintain their terms and conditions and that any newly recruited staff would be employees of Northern Care; resulting in a current mix of both.

The proposed change relating to the transfer of the provision to the independent sector would require a tendering process and result in a new contractual arrangement with the successful organisation. This would be a five year contract with the option to extend for a further two years.

The proposed semi-independent accommodation for two care leavers would provide an additional on-site resource to support young people who have been looked after by Medway and who are commencing their journey into independence/adulthood.

2 Summary of evidence used to support this assessment

- *Eg: Feedback from consultation, performance information, service user records etc.*
- *Eg: Comparison of service user profile with Medway Community Profile*

Ofsted Inspection judgements have improved during the period of the current contract. The Old Vicarage continues to make 'good progress'.

Diversity impact assessment –

Consultation with regard to the proposed semi-independent accommodation was undertaken with five of the six young people who live at the home on Monday 8 September 2014. Everyone was very keen to have the provision onsite with direct access to support from staff who they had already formed good relationships.

Here are some direct quotes:

- “It’s a well good idea!”
- “Sweet!”
- “Good if you need support or someone to talk to.”
- “The hardest thing is being on your own.”
- “Don’t want to go to an even deader place.”

3 What is the likely impact of the proposed change?

Is it likely to :

- Adversely impact on one or more of the protected characteristic groups?
- Advance equality of opportunity for one or more of the protected characteristic groups?
- Foster good relations between people who share a protected characteristic and those who don’t?

(insert ✓ in one or more boxes)

Protected characteristic groups	Adverse impact	Advance equality	Foster good relations
Age			
Disability			
Gender reassignment			
Marriage/civil partnership			
Pregnancy/maternity			
Race			
Religion/belief			
Sex			
Sexual orientation			
Other (eg low income groups)	√		

Diversity impact assessment –

4 Summary of the likely impacts

- *Who will be affected?*
- *How will they be affected?*

POSITIVE IMPACTS

The transfer of The Old Vicarage to the independent sector with the development of the semi-independent accommodation will contribute to Medway Council meeting its statutory duty to provide sufficient accommodation for looked after children and care leavers.

Onsite development of the semi-independent accommodation will be in line with the wishes and feelings of the young people who live at the home. It will benefit looked after young people in Medway who are moving into independence by providing what they need locally [close to family/friends, community and by offering accessible support from staff who they have already developed good relationships with. This support is critical during their first try at being independent and developing the skills they need to move into successful adulthood.

The semi-independent accommodation would provide a much needed resource for care leavers within a context that can be robustly monitored in respect of quality, performance and improving outcomes.

POTENTIAL ADVERSE IMPACTS

There are potential adverse impacts on staff relating to any new employment arrangements under the new contract; for example, staff restructure, redundancy and Transfer of Undertakings [Protection of Employment] Regulations 1981/2006 – TUPE.

Any potential adverse impacts on staff will not be directly related to any of the protected characteristics.

Further, it is not possible to be certain of what the adverse impacts will actually be.

Diversity impact assessment –

5 What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?

- Are there alternative providers?
- What alternative ways can the Council provide the service?
- Can demand for services be managed differently?

The provision could be managed in-house by Medway Council.

6 Action plan

- Actions to mitigate adverse impact, improve equality of opportunity or foster good relations and/or obtain new evidence

Action	Lead	Deadline or review date
Include requirements within the contract.	DM KB	November 2014
Complete a further Diversity Impact Assessment three months after the contract is awarded.	DM	October 2015

7 Recommendation

The recommendation by the lead officer should be stated below. This may be:

- to proceed with the change implementing action plan if appropriate
- consider alternatives
- gather further evidence

If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.

Proceed with the transfer of The Old Vicarage to the independent sector; and with the development of the semi-independent accommodation for two care leavers.

8 Authorisation

The authorising officer is consenting that:

- the recommendation can be implemented
- sufficient evidence has been obtained and appropriate mitigation is planned
- the Action Plan will be incorporated into service plan and monitored

Assistant Director

Date

Contact your Performance and Intelligence hub for advice on completing this assessment

RCC: phone 2443 email annamarie.lawrence@medway.gov.uk
 C&A: phone 1031 email paul.clarke@medway.gov.uk
 BSD: phone 2472 or 1490 email: corpipi@medway.gov.uk
 PH: phone 2636 email: david.whiting@medway.gov.uk

Send completed assessment to the Corporate Performance & Intelligence Hub (CPI) for web publication