

Forward Plan reference number: FP/082/06/21

<b>Report title: Intensive Coaching service for Young People in Care</b>	
<b>Report to:</b> Cabinet	
<b>Report author:</b> Cllr Beverley Egan, Cabinet Member for Children's Services and Early Years	
<b>Date:</b> 29 July 2021	<b>For:</b> Decision
<b>Enquiries to:</b> Clare Burrell - clare.burrell@essex.gov.uk 03330 136578	
<b>County Divisions affected:</b> All Essex	

## 1. Purpose of Report

- 1.1 Essex County Council has an ambition that children and young people are in residential care for the shortest time possible, receive high-quality provision and are supported to achieve a sustainable exit from care. The provision of intensive coaching support ('Inside Out') for young people in care contributes to this aim. The Inside Out programme has been evaluated and proven to deliver good outcomes for young people in care, by enabling a young person's stability through positive support.
- 1.2 The current Department for Education (DfE) funding for this programme ceases on 30 June 2022. It is proposed that this service is recommissioned and funded by ECC to ensure that this important provision continues post cessation of the DfE funding. Embedding this service into business as usual will mean that ECC can continue to support more young people in care to achieve positive outcomes, a sustainable step-down from residential care and placement stability.

## 2. Recommendations

- 2.1 Agree to procure a contract for the provision of Inside Out coaching for vulnerable young people in care in Essex, Hertfordshire and Norfolk using an open, single stage procurement procedure for an initial 3-year contract term from 1 July 2022, with a 1 year plus 1 year option to extend to 2027.
- 2.2 Agree that ECC act as lead commissioner of the procurement of the Inside Out coaching Programme on behalf of Hertfordshire County Council and Norfolk County Council.
- 2.3 Agree that the total contract value for all 3 Councils over a 5 year period will be £5.1m. The annual contract value for the Council will be £340,000 for the duration of the contract.
- 2.4 Agree that the evaluation model for the procurement will be based on 30% price and 70% quality, of which 10% of the quality criteria will assess social value.

- 2.5 Agree that the Director for Commissioning, Children and Families is authorised to approve the detailed evaluation model to be used for the procurement in consultation with Hertfordshire County Council and Norfolk County Council.
- 2.6 Agree that the Cabinet Member, Children's Services and Early Years is authorised to agree the terms of and award the contract to the successful bidder.
- 2.7 Agree that the Cabinet Member, Children's Services and Early Years is authorised to agree the terms of the Collaboration Agreement with Hertfordshire County Council and Norfolk County Council.
- 2.8 Agree that the Children's Services and Early Years portfolio is increased by £255,000 for 2022/23 with a full year effect of £340,000 in 2023/24. This will increase the budget gap of the Council's Medium Term Resource Strategy and will require a sustainable financial mitigation to be identified from the Children's Services and Early Years portfolio as part of the 2022/23 budget setting process.

### **3. Summary of issue**

- 3.1 ECC is responsible for providing social care services for children and young people who need them under the age of 18. Local Authorities have a duty under Section 22A of the Children Act (1989) to provide accommodation for a looked after child or young person. ECC is, therefore, the 'corporate parent' for these children and young people and is committed to supporting young people to reach their potential.
- 3.2 The ECC Sufficiency and Commissioning Strategy for Children in Care (2018-22) sets out how ECC plans to fulfil its duty to meet the needs of the children and young people in our care, and care leavers. The strategy cites the ambition of "children to be in care for the shortest time possible to achieve a sustainable exit from care that meets all of their needs, whether that is a return home or a permanent alternative". The Inside Out coaching programme can help achieve this.
- 3.3 There is no statutory duty for ECC to provide Inside Out coaching, but the evaluation for the 3-year pilot has delivered evidence to support the recommendation for the service to be embedded in ECC's Children and Families portfolio.
- 3.4 Although overall the total number of looked after children has significantly reduced over time (from 2,274 in the year 2010-2011 to 1,451 in the year 2020-2021), the effect of the pandemic has resulted in a nationwide increase in children going into care. ECC continue to focus on reducing the number of children in care, and on reducing those who are placed in residential care. The Inside Out coaching programme identifies high needs placements and provides them with one to one coaching and support from other agencies to support them to return to their families, either directly or by moving (for example) from residential to foster care. The Inside Out coaching programme aims to support young people to achieve a sustainable step-down in support.

- 3.5 Whilst some teenagers in care are settled, well looked after and able to move onto successful outcomes, there are others with less stability and a history of multiple placement moves. Locally, service providers are seeing additional pressures due to the greater complexity of need that they are trying to meet. The Tavistock Institute were commissioned as part of the pilot programme in 2018 to evaluate the outcome of the pilot (the Evaluation Report). This Evaluation Report highlighted challenges for young people that have not settled in high needs placements such as a history of trauma, offending behaviour, frequent episodes of going missing and (particularly girls) at a high risk of child sexual exploitation.
- 3.6 The Evaluation Report highlights how frequent changes in those supporting young people (including social workers, placement providers, key workers, etc.) can often trigger previous traumas related to attachment. An Inside Out coach can offer stability to a young person regardless of changes in other support. Frequent placement breakdown does not assist in achieving the best outcomes for the child concerned and is costly to ECC.
- 3.7 The three core elements of the Inside Out coaching approach are: a coach who delivers intensive support to the young person and their families; ongoing support from a social worker to ensure care co-ordination; and development of a new relationship with the young person's care provider / care home. This approach has been tested on a pilot basis since 2018, starting in Essex before extending to Hertfordshire and Norfolk and has proven successful in supporting young people with a positive transition into adulthood.
- 3.8 Inside Out coaching delivers good outcomes for young people with more complex needs, and a history of placement instability, and can prevent, or reduce, periods of time that young people are placed in long-term, secure accommodation or residential placements. Inside Out coaching can also support family relationships to improve and therefore increase the potential for a child to move back home, where appropriate. This achieves better outcomes for a young person.
- 3.9 As at March 2021, 35 of ECC looked after young people had accessed the Inside Out coaching programme, with 21 being supported at the time of this report. Only 4 young people have disengaged from coaching support. To date, 7 young people have achieved and maintained a step-down from support. 5 of these are residing in post16 semi-independent accommodation and 2 have returned to their family home.
- 3.10 The Evaluation Report has identified the following outcomes for young people being achieved through the Inside Out coaching programme with the 1:1 relationship with their coach being critical to the success:
- Increased stability
  - Improved mental health and wellbeing
  - Improved relationships with family, carers and peers
  - Positive transition into adulthood and engagement in employment, education or training

3.11 The outcomes delivered through the Inside Out coaching programme will continue to contribute to delivering a number of the priorities within the Essex Children in Care and Leaving Care Partnership Strategy (2018-2021):

- Outcome 1: the right children are in care and the length of time in care is safely reduced
- Outcome 2: children in care are safe, afforded stability and the opportunity for a positive future
- Outcome 3: children in care and care leavers make a successful transition to adulthood and independence
- Outcome 5: children and young people in care and leaving care have good health outcomes

3.12 The Tavistock Institute were specifically required to include a value for money element to inform future commissioning intentions of the three local authorities. The analysis from the Tavistock Institute suggests that delivering and administering the programme costs approximately £16,900 per participant, but that the current and future benefits would outweigh these costs. There is an estimated benefit-cost ratio of around 2.5. This means that for every £1 spent on the delivery of Inside Out coaching, ECC and the wider public sector can expect to accrue £2.50 in benefits.

3.13 This evaluation was able to identify three key areas of cost reductions: social worker time, placement costs and missing episodes. The table below shows the cost benefit ratio documented:

<b>Benefit Cost Ratio (BCR) = 2.5</b>	<b>Increase in current costs</b>	<b>Decrease in current costs</b>	<b>Decrease in future costs</b>
Inside Out cost per intervention – Local Authority (LA)	£16,900		
Social worker time – LA		£7,560	
Placement costs – LA		£16,130	
Missing episodes – Police, LA		£17,590	
Mental health – NHS, Schools (indicative)			£780
<b>Overall</b>	<b>£16,900</b>	<b>£41,280</b>	<b>£780</b>

3.14 It is intended that ECC will enter into a Collaboration Agreement with Hertfordshire and Norfolk County Councils. This has been the arrangement throughout the pilot and has worked well. The Collaboration Agreement will set out how the programme will be managed between the three authorities and will include provisions detailing: evaluation of bids and monitoring of the provider; implementation of practice and protocols; and engagement with and development of the relationship with residential providers of placements for children in care within each local authority.

3.15 As Lead Commissioner, ECC will lead on the procurement activity, preparing the procurement documentation and contract and will coordinate the evaluation and contract signing process. All three Local Authorities will be involved in the

evaluation of bids and will sign the agreement with the provider. Providers will be expected to bid for the full contract which will cover all three local authority areas.

3.16 It is proposed that ECC issue the procurement documentation to the market in October 2021 with a deadline for bids in December 2021.

3.17 The responses will be evaluated using a 30/70 (price/quality) model, with 10% of the quality score assessing social value. The rationale for this approach is that a provider who delivers a better-quality service is more likely to achieve positive outcomes for children and young people, as well as a reduction in spend as a result. To avoid overspend, the pricing envelope will be capped in the tender and bidders will be asked to identify a price for each local authority to account for differences in local delivery such as premises costs.

3.18 A 3-year contract with a 1 year plus 1 year option to extend is recommended in order to offer a meaningful service for young people without tying the three authorities into a longer term contract. Any extension must be agreed by the three local authorities and a separate decision will be taken for such extension.

#### 4. Options

Option 1: Do nothing	Pros	Cons
Let programme cease from 1 June 2022 <b>(Not recommended)</b>	<ul style="list-style-type: none"> <li>No additional financial or resource costs required</li> </ul>	<ul style="list-style-type: none"> <li>Loss of programme with proven impact on improved outcomes for young people</li> <li>Does not support ambition for young people to 'step down' and sustain this – meaning costs longer term are higher</li> <li>Loss of momentum for innovation in supporting young people with complex needs</li> <li>Likely increase in missing episodes of young people, this has a direct impact on ECC spend</li> <li>Increased pressure on social work teams</li> </ul>
Option 2: Commission ISO Independently	Pros	Cons

Commission a new contract for ECC independently from Herts and Norfolk County Councils on a 3 + 1 + 1-year contract <b>(Not recommended)</b>	<ul style="list-style-type: none"> <li>Continuation of existing programme for improved stability and outcomes for young people</li> <li>Has evidenced cost avoidance</li> <li>Opportunity to build on the learning from the current pilot</li> </ul>	<ul style="list-style-type: none"> <li>Additional resource to embed the current model</li> <li>Significant internal resource required throughout commissioning / procurement activity</li> </ul>
<b>Option 3: Commission ISO on behalf of ECC, Hertfordshire County Council and Norfolk County Council</b>	<b>Pros</b>	<b>Cons</b>
In partnership with Hertfordshire County Council and Norfolk County Council commission a 3 + 1 + 1-year contract <b>(Recommended option)</b>	<ul style="list-style-type: none"> <li>Continuation of existing programme for improved stability and outcomes for young people</li> <li>Opportunity to responsibility with our partners and share ideas</li> <li>Further already positive working relationship with Hertfordshire and Norfolk CCs</li> <li>Strong governance and mechanisms already in place for decision making which are detailed in a strong Collaboration Agreement</li> <li>Has evidenced cost avoidance</li> <li>Opportunity to build on the learning from the current pilot</li> </ul>	<ul style="list-style-type: none"> <li>ECC not being able to have total control of the model design and monitoring – however, a Collaboration Agreement would be renewed to support true partnership working and how to overcome any discrepancies that might arise</li> <li>Dependant on factors outside of ECC control, e.g. other local authority funding / governance – however, ECC is in regular contact with colleagues in Hertfordshire and Norfolk.</li> </ul>

## 5. Links to Essex Vision

5.1 This report links to the following aims in the Essex Vision

- Provide an equal foundation for every child

For more information visit [www.essexfuture.org.uk](http://www.essexfuture.org.uk)

5.2 This links to the following strategic aims in the Organisational Plan:

- Help people get the best start and age well
- Help create great places to grow up, live and work

## 6. Issues for consideration

### 6.1 Financial implications

6.1.1 The current service has been funded through the Department for Education Innovation Fund and commissioned in partnership with Hertfordshire and Norfolk County Councils. The current contract expires on 30 June 2022 and there is no further option to extend the current contract.

6.1.2 The total value of the contract is **£5.10m**, with an annual value of £1.02m. The cost will be split between the Local Authorities based on the actual costs in each region. The cost to ECC to commission this service would be **£340,000** annually. The value is split across financial years as follows, assuming a contract from July 2022 to June 2027, this would enable 20 ECC young people to access the programme at any one time.

Authority	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 £000s	2027/28 £000s
Essex CC	255	340	340	340	340	85
Herts & Norfolk CC's	510	680	680	680	680	170
<b>Total Contract Value</b>	<b>765</b>	<b>1,020</b>	<b>1,020</b>	<b>1,020</b>	<b>1,020</b>	<b>255</b>

6.1.3 As the programme has been fully-funded by DfE grant to date and no further funding is forthcoming, the recommendation is to increase the Children Services and Early Years Portfolio by the values in the table above (£255,000 for 2022/23, increasing to £340,000 from 2023/24 onwards). This would increase the budget gap in future years and so impact on the councils Medium Term Resource Strategy (MTRS). In the first instance sustainable financial mitigations would be expected to be identified from the Children Services and Early Years portfolio as part of the Council's 2022/23 budget setting process.

6.1.4 The programme creates cost avoidance above the amount invested as outlined below, but cashable savings are inconsistent and volatile due to the small number of young people on the programme.

6.1.5 When the programme was originally designed with the DfE, there were cashable savings attached to the delivery of Inside Out in the MTRS. Although these have not been fully realised (30% of the agreed savings of £1.4m), the programme has shown progressive levels of both cashable savings and cost avoidance.

Financial Year	Savings in MTRS £000s	Placement savings achieved £000s	Placement cost avoidance achieved £000s	Other cost avoidance* £000s
2018/19	476	141	34	506
2019/20	476	114	165	506
2020/21	476	185	232	506
	<b>1,429</b>	<b>439</b>	<b>432</b>	<b>1,518</b>

\*Other cost avoidance is social worker time and costs related to missing episodes which are hard to measure and shared with Schools and Police. We have used Tavistock's evaluation results to estimate the total cost avoidance in each financial year.

6.1.6 Due to the small number of young people that are on the programme at any one time, the savings and cost avoidance can be very volatile year-to-year. The success or failure of an intervention with one young person can make a huge impact, especially if, for example, they are in a high-cost residential placement. We have had several young people in £5,000+ per week residential placements when they have joined the ISO programme.

6.1.7 Cashable savings have not been assigned to Inside Out, however, a tracker to estimate the potential cost avoidance of the programme is proposed for the new contract period as part of evidencing that good outcomes are being delivered.

## 6.2 Legal implications

6.2.1 Local Authorities are responsible for providing social care services for children in need aged between 0 to 18 years old.

6.2.2 There is no statutory duty for the Council to provide this provision, but the evaluation of the 3-year pilot by an independent body has delivered evidence to support the extension of the service due to the positive outcomes for children who receive the coaching.

6.2.3 A collaboration agreement will be entered into with Hertfordshire County Council and Norfolk County Council to regularise the roles, risks and responsibilities between the respective bodies. ECC will take the lead role in procuring the provider and producing the procurement and contractual documentation. All three Local Authorities will be involved in evaluating the bids and all three Local Authorities will enter into the contract with the provider. The contract and collaboration agreement will need to be clear on risks and liabilities between the three Local Authorities and how decisions are taken.



6.2.4 The Council is a contracting authority for the purposes of the Public Contracts Regulations 2015 (the Regulations). The value of the proposed contract is above the financial threshold (currently set at £663,540) and the nature of the service is one that falls under Schedule 3 of the Regulations. The procurement of these services must be undertaken in accordance with the light touch regime as set out in regulations 74 to 76 of the Regulations.

6.2.5 Regulation 67 of the Regulations sets out how evaluation criteria are to be established. The Council must select evaluation criteria that will help it establish the most economically advantageous tender. Regulation 67 allows the Council to consider social aspects of a tender in assessing quality, provided that they are relevant and proportionate to the contract and linked to the subject matter of the contract.

## **7. Equality and Diversity implications**

7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

7.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

7.4 The equality impact assessment identifies the following positive impacts on certain protected characteristics in relation to the preferred option:

- Age – Positive. The Inside Out coaching programme specifically supports young people aged 14 – 16.
- Pregnancy – Positive. During the pilot, it was reported that a number of young girls became pregnant whilst in care. The Inside Out programme would continue to offer support to this group of young girls to support their wellbeing during this period.
- Disability – Mental Health – Positive. Often young people accessing the Inside Out programme have a history of trauma which can impact their wellbeing. The

service will continue to support young people with specific mental health needs provided a young person has the capability to effectively engage.

## **8. List of appendices**

### **8.1 Equality Impact Assessment**

## **9. List of Background papers**

1. Inside Out Service Playbook
2. ECC Sufficiency and Commissioning Strategy for Children in Care in Essex (2018-2022)
3. Evaluation Report from the Tavistock Institute