**D2N2 Supported Accommodation Framework Lot 1 –**

**Stakeholder Questionnaire – Existing Framework Providers**

June 2025

**The Current Contract**

The D2N2 Local Authorities (Derby City Council, Derbyshire County Council, Nottingham City Council and Nottinghamshire County Council) commissions supported accommodation for young people aged 16/17 years old and care leavers, via the D2N2 Supported Accommodation Framework.

The Framework runs alongside each of the Local Authority’s separately commissioned block contracts. The D2N2 Framework is used to commission placements when a block contract is unable to meet a young person’s specific requirements or has reached full capacity.

The Framework is made up of 32 approved providers across Derby, Derbyshire, Nottingham and Nottinghamshire with suitable and safe supported accommodation placements awarded through mini competitions.

The Framework comprises of 4 Lots of services as specified below:

|  |  |
| --- | --- |
| **LOT 1**  **Solo Provision with Intensive Support** | * Solo accommodation * Staff on site up to 24 hours a day * Direct one-to-one support commissioned by the hour * Waking night support as required * Additional staffing as required |
| **LOT 2**  **Shared Provision with Intensive Support** | * Shared accommodation * Staff on site up to 24 hours a day * Direct one-to-one support commissioned by the hour * Waking night support as required * Additional staffing as required |
| **LOT 3**  **Solo Provision with Visiting Support** | * Solo accommodation * Visiting support * Direct one-to-one support commissioned by the hour |
| **LOT 4**  **Shared Provision with Visiting Support** | * Shared accommodation * Visiting support * Direct one-to-one support commissioned by the hour |

Please refer to the attachment below for a more detailed definition of the Lots and support commissioned via the D2N2 Supported Accommodation Framework.



**The Current Issue**

The D2N2 local authorities have each reported a decline in Lot 1 Framework offers being received from providers.

A number of providers have reported that it is no longer financially viable for them to offer Lot 1 placements as the cost of delivering this service is above the prices submitted as part of their tender submission back in May/June 2022 (Round 1) or January/February 2023 (Round 2).

Providers have reported that although they want to continue working with D2N2 local authorities, they are unable to offer Lot 1 placements as the contracted fees no longer cover their overheads and would require them to operate at a loss. Ofsted regulation, a rise in the minimum living wage, increased provider National Insurance contributions and rising overheads such as energy bills and rent fees have all occurred since providers submitted their original costings in 2022/2023.

It is also unclear if Lot 1 offers the flexibility required to facilitate a reduction in support and journey towards independence as the young person approaches adulthood.

In March 2025 the D2N2 Board agreed for the D2N2 Operations Group to undertake a scoping, benchmarking and market engagement exercise, in relation to Lot 1, to determine the following:

* Does Lot 1 of the Framework still meet the needs of the D2N2 local authorities?
* Is it compliant with the new supported accommodation Ofsted regulations?
* Can Lot 1 feasibly be delivered by providers?

It was accepted that this may lead to a remodel of Lot 1 and a reopening of the D2N2 Framework tender.

**Seeking Feedback**

Commissioners are consulting existing Framework providers and potential new providers to seek their views on a range of questions including a potential remodel of Lot 1.

Your views are very important to us so please take the time to provide a response to the following questions to help us shape the future service:

Please return the completed questionnaire by **Thursday 10th July 2025** to [kerry.eames@derby.gov.uk](mailto:kerry.eames@derby.gov.uk)

|  |  |  |
| --- | --- | --- |
|  | **Provider Details** | |
| 1. | **What date are you completing this form?** | |
| 2. | **What is the name of your organisation?** | |
| 3. | **What is your name and job title?** | |
| 4. | **Are you currently contracted to deliver Lot 1 services on the D2N2 Supported Accommodation Framework?**  Yes  No | |
| 5. | **If you are not currently contracted to deliver Lot 1 services on the D2N2 Supported Accommodation Framework would you be interested in doing so?**  Yes  No | |
|  | **Lot 1 Feedback**  **(IMPORTANT NOTE - please only answer questions 6 to 10 if you are currently contracted to deliver Lot 1 services on the D2N2 Supported Accommodation Framework)** | |
| 6. | **What is working well on Lot 1 of the D2N2 Supported Accommodation Framework?** | |
| 7. | **What is not working well on Lot 1 of the D2N2 Supported Accommodation Framework?** | |
| 8. | **What changes need to be made to Lot 1 of the D2N2 Supported Accommodation Framework and what might this look like?** | |
|  | **Lot 1 Pricing** | |
| 9. | **Are you able to provide Lot 1 services on the D2N2 Supported Accommodation Framework in line with you current contracted fees?**  IMPORTANT NOTE – Your organisation’s fees are outlined in your contract and Deed of Variation if you have been awarded a fee uplift. If after consulting these documents, you are still unsure of your contracted fees please email [kerry.eames@derby.gov.uk](mailto:kerry.eames@derby.gov.uk) for clarification.  Yes  No | |
| 10. | **If you are not able to provide Lot 1 services at your current contracted fees please provide a breakdown in the table below of the fees required in order to break even and to make a reasonable profit.**  IMPORTANT NOTE – As your organisation’s fees are commercially sensitive this information will be treated confidentially and will NOT be shared with any other providers. The information you supply will be used by the D2N2 local authorities to undertake a benchmarking exercise to establish a minimum, maximum and average fee that providers charge local authorities for Lot 1/Lot 1 equivalent services. Any benchmarking information shared outside of the D2N2 local authorities will not enable a specific provider to be identified. | |
| **Lot 1 - Solo Provision with Intensive Support** | | |
| IMPORTANT NOTE – Please refer to the attachment below for the definition of the support outlined. | | |
| **Accommodation and 1 staff member on site 24 hours a day (inclusive of sleep-in)** | |  |
| * Rent/mortgage/loan costs | |  |
| * Utilities (gas, electric, water, Wi-fi, TV licence) | |  |
| * Council Tax | |  |
| * On site staff other than direct support | |  |
| * Administration | |  |
| * Maintenance | |  |
| * Other costs | |  |
| * Profit | |  |
| **Total cost per week** | | per week |
| **Direct one-to-one support** | | per hour |
| **Additional staff member on site 24 hours a day (excluding sleep-in)** | | per week |
| **Waking night support** | | per night |
| **Sleep-in support for additional staff member** | | per night |
| **Lot 1 Equivalent Service Feedback**  **(IMPORTANT NOTE - please only answer questions 12 to 13 if you currently deliver Lot 1 equivalent services to any Local Authorities outside of D2N2 (i.e. outside of Derbyshire or Nottinghamshire)** | | |
| 11. | **Do you currently supply a Lot 1 equivalent service to any Local Authorities outside of D2N2 (i.e. outside of Derbyshire or Nottinghamshire)?**  **Please note, a Lot 1 equivalent service is solo accommodation with a staff member on site up to 24 hours a day.**  Yes  No  **Please specify below the Local Authorities an equivalent Lot 1 service is provided to.** | |
| 12. | **If you do provide a Lot 1 equivalent service to any Local Authorities outside of D2N2 (i.e. outside of Derbyshire or Nottinghamshire) please provide a breakdown below of the fees you currently charge to each Local Authority.** | |
| 13. | **If you do provide a Lot 1 equivalent service to any Local Authorities outside of D2N2 (i.e. outside of Derbyshire or Nottinghamshire) how do you enable a step-down of support as the young person’s needs decrease and they move towards independence?**  **Please provide a breakdown of how this affects the fee charged to the local authority below:** | |
| **Future Plans** | | |
| 14. | **Do you have any expansion plans, or would you consider expansion plans in Derby, Derbyshire, Nottingham, Nottinghamshire?**  Yes  No  Maybe  **Please state any barriers stopping you from considering expansion plans within this footprint.** | |

**Thank you for taking the time to complete this survey. We will feed back to you at the provider engagement event taking place on Wednesday 16th July 2025.**