

Report of Head of Targeted Services

Report to Director of Children's Services

Date: 03/03/15



To seek approval for the waiver of Contracts Procedure Rule 9.1 & 9.2 and award a new framework contract with the 6 providers on the current framework for Families First lead practitioners until 31st May 2016 for an eight month contract with potential to extend for 6 months

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In July 2012 Families First completed a commissioning process for a framework commission to lead practitioners for the initiative. This commission was set to run in line with the time limited families first initiative, however the national initiative has now been extended and consequently a new contract is needed to ensure continuity of provision until the initiative ends.
2. This commission is to ensure every family has an assessment of needs, a shared plan with clear interventions and goals that are monitored and reviewed (to provide a strong 'grip' of the family's needs and co-ordination of their support).
3. The commission has 6 providers currently established on the framework. These are: - Barnardo's, DISC, Foundation, Renew, Shantona and South Leeds Health for All. The new contract will seek to continue maintain these providers. However due to the current financial constraints with a reduced budget
4. The commission has a strong performance history enabling Leeds to achieve payment by results (PbR) and turning the lives around of the families engaged in

the project. PbR success ranges from 68% to 90.1 across the providers. The Families First initiative has generated and income to the council of £1.4 million PbR a significant contribution to this achievement has been the work of this contract.

Recommendations

1 The Director of Children's Services is recommended to approve the waiver of Contracts Procedure Rule 9.1 & 9.2 and award a new framework contract to the 6 providers on the current framework for Families First lead practitioners until 31st May 2016 in the sum of £174,000 for an eight month contract with a potential 6month extension with a possible cost of £87,000.

2 Purpose of this report

2.1 To give an overview of background and history of the Families First initiative, recognise its performance record and agree an award of a new one year contract from 1st June 2015 until 31st May 2016 with a possible 6 months extension depending upon further funding.

3 Background information

3.1 The Troubled Families initiative was instigated by the coalition government in order to turnaround the lives of 120,000 families nationally. In the last public spending review further funding was announced for an extension of the programme till 31st May 2020.

3.2 The current phase 1 of the programme ends on 31st May 2015 Leeds has become an early starter for phase 2 of the initiative. The extension of the initiative focuses on the original indicators in addition to children who need help domestic violence and families with health and physical problems.

3.3 Leeds Families First initiative needs to build on the significant success of the third sector commission to ensure continued success in terms of outcomes for families and achievement of PbR. To do this a new contract will need to be awarded as the initial contract was time limited till the end of the phase 1 initiative (31st May 2015). Phase 2 of the initiative was not in the original Central Governments Troubled Families proposal so was not planned for in this commission.

3.4 Families First's work with families is categorized by need into high, medium and low needs. The investment for the families with high end needs has been through increased capacity in Signpost and Multi Systemic Therapy services. In addition for those families with lower end needs are supported by cluster processes and universal services.

3.5 This commission addresses the gap in the provision of lead practitioners for families with medium level needs which was highlighted through clusters and key partners.

3.6 The model and specification developed when the service went out to tender used good practice from other local authorities the same specification will be used moving forward. The initial contract has a good range of providers both in terms of

geography and specialisms. The new contract award will continue to use the current specification but will utilise the variation added to the old contract that ensured continuity of funding for providers.

4 Main issues

- 4.1 The framework comes to the end of contract at the end of May 2015. A new contract will now be needed to ensure the continuity of delivery until the revised end of programme (31st May 2016). This report set out why it is justified to extend the contract.

5 Consequences if the proposed action is not approved

- 5.1 This would have a considerable impact on the Families First initiative and its ability to work with the families identified. Leeds Families First initiative is part of a 'payment by results' national troubled families initiative and this contract has been a significant contributor to the income received by the council as a result of the Pbr received for turning the lives of families around. If this contract is not extended this could put this initiative and the funding at risk.

4.3 Advertising

- 4.3.1 This waiver is for a new contract it is not intended to advertise the matter on the open market.

5 Corporate Considerations

5.1 Consultation and Engage

- 5.2 The process of getting agreement to this waiver involved consulting with relevant heads of service, procurement and third sector providers.

5.3 Equality and Diversity / Cohesion and Integration

- 5.2.1 A full equalities screen was conducted for the Families First initiative which considers the equalities impacts of the whole programme and any commissioning activity.

5.4 Council policies and City Priorities

- 5.3.1 This commission fits within the children's plan priorities shown below.
- 5.4.1 Children and young are safe from harm - helping young people live in safe and supportive families.
- 5.4.2 Children and young people do well at all levels of learning and have skills for life - improving attendance and behaviour at school.
- 5.4.3 Supporting the breakthrough priority regarding Domestic Violence.
- 5.4.4 Reducing the number of young people not in education, training or NEET.

5.4.5 Reducing children who are cared for by the Local Authority

5.4.6 Resources and value for money

5.4.7 The initial commission went through a competitive process and the payment to providers is at a set rate that was benchmarked against other local authorities rates. The commission has drawn a significant amount of income to the local authority in terms of payment by results.

5.4.8 The budget for the framework was initially £650,000. Due to current financial constraints and reduced funding for the programme the budget will be £261,000 annually. If the new contract is invoked the cost will be £174,000 for eight months and if a further 6 months extension is awarded the cost will be £87,000.

5.5 Legal Implications, Access to Information and Call In

5.5.2 This is a key decision and is subject to call-in. The report does not contain any exempt or confidential information under the Access to Information Rules.

5.5.3 Awarding contracts directly to the providers identified above in this way could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of transparency it should be noted that European case law suggests that contracts of this value should be subject to a degree of advertising if it is considered that it would be of interest to contractors operating in another Member State. It is up to the Council to decide what degree of advertising is appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc) and the geographical location of the place of performance.

5.5.4 The Director of Children's Services has considered this and, due to the nature of the services being delivered and the requirement to be physically located in the City of Leeds, is of the view that the scope and nature of the services is such that it would not be of interest to other EU member states.

5.5.5 As these are Part B Services for the purposes of the Public Contracts Regulations 2006 ("Regulations"), and therefore not subject to the full procurement regime, the risk of challenge identified at paragraph 5.5.3 can be diminished somewhat by the publication of a voluntary transparency notice in OJEU immediately after the decision to award the contract to this provider has been taken and then waiting 10 days to see if any challenges are made. It is the reports recommendation that the OJEU notice is published to ensure risk of challenge is diminished.

5.5.6 Although there is no overriding legal obstacle preventing the waiver of CPR 9.1 and 9.2, the above comments should be noted. In making their final decision, the Director of Children's Services should be satisfied that the course of action chosen represents Best Value for the Council.

5.6 Risk Management

- 5.6.1 The providers on the framework have met a quality threshold of 60% in the previous commissioning process and have sufficient quality in delivery and performance history to mitigate against any risks around performance
- 5.6.2 The way the work has been allocated has been clearly set out so this will prevent any disputes. The spread of provider's demonstrates good geographical coverage. The knowledge and skills of the services to support the lead practitioner role has been assessed in the first commissioning process and via contract management. The current contract has an excellent performance history.
- 5.6.3 The fact that there has been a previous opportunity to competitively tender this process and this new contract is only a short term one and of medium value reduces the risk of challenge.

6 Conclusion

- 6.1 The current framework contract for Families First has a good performance history but is due to end before the extended initiative. In order to show continuity of provision a new contract will need to be awarded at the end of the current commission.

7 Recommendations

- 7.1 The Director of Children's Services is recommended to approve the waiver of Contracts Procedure Rule 9.1 & 9.2 and award a new framework contract and enable the 6 providers on the framework to deliver lead practitioner roles across the city until 31st May 2016 in the sum of £174,000 with a possible 6month extension.

8. Background documents¹

- 8.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.