

**Report of Chief Officer Partnership Dev & Bus Support**

**Report to the Deputy Director Learning**

**Date: 09.02.2016**

**Subject: Leeds Children's Charity, Waiver of CPR's request**



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 type="checkbox"/> Yes	<input checked="" 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. The aim of this report is to seek, from the Deputy Director Learning, approval to waive Contract Procedure Rules (CPR's) in relation to Leeds Children's Charity (LChCh), and offer the Charity a further contract to deliver services on behalf of Leeds City Council.
2. The report also seeks approval to reduce previous funding levels (£50, 166) by 15%, in order to meet Children Services financial targets.
3. The report further seeks to put in place a contract for 12 months in the first instance (01.04.16 to 31.03.17), with options to extend the contract for up to two further periods of 12 months each, incorporating further funding reductions to a sustainable level.
4. Ultimately the aim is to work with and support the Charity to seek alternative sources of funding, in order to further reduce Children Services investment in the programme offered by the organisation.

**Recommendations**

5. The Deputy Director Learning is requested to approve the request to waive CPR 8.1 & 8.2, to enter into a contract valued between £10K and £100K, without seeking competition, as per CPR section 27.
6. The Deputy Director Learning is requested to approve the request to reduce funding for the financial year 2016-17 from £50, 166 to £42, 641, constituting a reduction of 15%.

7. The Deputy Director Learning is requested to approve the request to put in place a contract for 12 months in the first instance (01.04.16 to 31.03.17), with options to extend the arrangement by two periods of 12 months each, subject to budget availability and Directorate priorities.
8. The Deputy Director Learning is requested to approve the request to reduce funding to a sustainable level, which may or may not result in removal of all funding support.
9. The Deputy Director Learning is requested to endorse Commissioning, Contracting & Market Management team support for Leeds Children's Charity, to seek alternative sources of funding support.

## **1 Purpose of this report**

- 1.1 The aim of this report is to seek, from the Deputy Director Learning, approval to waive Contract Procedure Rules (CPR's) in relation to Leeds Children's Charity, and offer the Charity a further contract to deliver services on behalf of Leeds City Council.
- 1.2 The report also seeks approval to reduce previous funding levels (£50, 166) by 15%, in order to meet Children Services financial targets.
- 1.3 The report further seeks to put in place a contract for 12 months in the first instance (01.04.16 to 31.03.17), with options to extend the contract for up to two further periods of 12 months each, incorporating further funding reductions to a sustainable level.
- 1.4 Ultimately the aim is to work with and support the Charity to seek alternative sources of funding, in order to further reduce Children Services investment in the programme offered by the organisation.

## **2 Background information**

- 2.1 The Leeds Childrens Charity organisation is an organisation of some standing within the city. The organisation has operated in Leeds for many years (since 1904), offering young people, via schools, holiday breaks. The background of these young people is characterised by, economic and social deprivation. The organisation utilises a long standing facility, which they own (but are now in the process of selling), near Morecombe, known as Silverdale.
- 2.2 Over many years the organisation has been supported by funding from Leeds City Council. Every year the honorary president of the organisation is the appointed Lady Mayoress.
- 2.3 The organisation has a set of criteria which they apply when looking at potential beneficiaries' of the service. This criterion is provided to schools who in turn are asked to nominate potential attendees. Almost exclusively, the schools that are worked with are Primary schools in areas of social and economic deprivation. Very occasionally a year 7 sibling will also be considered as beneficiary. The criteria utilised is based upon the criteria for free school meals.

## **3 Main issues**

- 3.1 The Charity provides breaks for children whose backgrounds are characterised by social and economic deprivation; in essence they provide a targeted service.
- 3.2 Children and young people are referred by schools, largely at Primary level, to the programme, with the aim of broadening their horizons, facilitate experiences that many of these children and young people would not otherwise have access to, support children and young people's learning, build confidence and self-esteem, and, ultimately, improve outcomes for young people.

3.3 For the forthcoming financial year the Directorate has been set challenging financial targets, arising from the central government agenda to reduce public sector funding, this agenda will continue at least until 2020

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 Consultation and discussion in relation to these proposals has taken place across Children Services, principally with the Head of Service, Learning for Life. Schools have indicated their satisfaction with the service offered by the Charity, and are working with ourselves and the Charity to put in place a monitoring / quality assurance process which reflects points made at 3.2 above. End users, namely young people are surveyed by the Charity to seek their views re. the services and support offered by the Charity and have indicated a favourable response to the opportunities offered by the Charity.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 The programme of short breaks is targeted in relation to social and economic deprivation factors only. Children and young people are identified by schools on the basis of need irrespective of equality and diversity factors. The programme is and will continue to be offered to all, with the caveat relating to social and economic deprivation.

### **4.3 Council policies and Best Council Plan**

4.3.1 The programme offered by the Charity is entirely in line with the aims, objectives and outcomes as per the Vision for Leeds, the Best Council Plan, and the Children & Young People's Plan.

### **4.4 Resources and value for money**

4.4.1 It costs approximately £564 per child, in total to attend one of the breaks.

4.4.2 LCC currently subsidises this by approx. £128 per child.

4.4.3 LCC funding amounts to 26.8% of the total spend by the Charity.

4.4.4 The value per child that LCC subsidises was reduced in 2013 and 2014, in addition the charity are now taking approximately 15% more children.

4.4.5 The service provided by the Charity does represent good value for money.

### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 This decision would constitute a significant operational decision and would not be subject to call-in.

4.5.2 We are not aware of any other provider who could provide such breaks for children and young people, taking into account value for money factors, facilities, relationship with schools, etc.

## **4.6 Risk Management**

- 4.6.1 Given 4.5.2 it is unlikely that the decision to award without recourse to competition would be challenged.
- 4.6.2 The service provider could cease to operate, however assurances have been sought and given that the programme of breaks for spring / summer 2016 will take place.
- 4.6.3 Leeds Childrens Charity is currently in the throes of a root and branch re-organisations, which has the potential to affect the future direction of the organisation and provision.
- 4.6.4 The organisation is looking into the possibilities of utilising alternative space closer to Leeds.
- 4.6.5 The current facility at Silverdale (near Morecambe) is likely to be sold; however, the organisation has made it clear that the provision / support service will run over the summer of 2016.

## **5 Conclusions**

- 5.1 On the basis of the background and on-going value placed upon the arrangement with Leeds Children's Charity, the wish to re-contract with this provider would not be considered unreasonable.

The organisation are looking into the possibilities of utilising

## **6 Recommendations**

- 6.1 The Deputy Director Learning is requested to approve the request to waive CPR 8.1 & 8.2, to enter into a contract valued between £10K and £100K, without seeking competition, as per CPR section 27.
- 6.2 The Deputy Director Learning is requested to approve the request to reduce funding for the financial year 2016-17 from £50, 166 to £42, 641, constituting a reduction of 15%.
- 6.3 The Deputy Director Learning is requested to approve the request to put in place a contract for 12 months in the first instance (01.04.16 to 31.03.17), with options to extend the arrangement by two periods of 12 months each, subject to budget availability and Directorate priorities.
- 6.4 The Deputy Director Learning is requested to approve the request to reduce funding to a sustainable level, which may or may not result in removal of all funding support.
- 6.5 The Deputy Director Learning is requested to endorse on-going Commissioning, Contracting & Market Management team support for Leeds Children's Charity, to seek alternative sources of funding support.

## **7 Background documents<sup>1</sup>**

7.1 None

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<sup>1</sup> 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.