



Report of Commissioning and Market Management team

Report to Director of Children and Families

Date: 5th March 2018

Subject: Child Sexual Exploitation support service - Permission to waive CPRs (Contract Procedure Rules) 8.1 and 8.2 to award a 12 month contract to Basis Yorkshire

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| 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 purpose of this report is to seek approval to award a 12 month contract to Basis Yorkshire for delivery of support for young people at medium and high risk of CSE (Child Sexual Exploitation). This decision involves waiving CPRs 8.1 and 8.2 – Intermediate Value Procurements
2. Children and Families has an existing contract with Basis Yorkshire for a service to provide early intervention and support services to help meet the needs of girls and young women at medium to high risk of experiencing child sexual exploitation. This contract expires on 31st March 2018.

3. It is requested that a waiver be allowed to ensure this service for vulnerable girls and young women is able to continue throughout 2018-19, with an increased contract value to provide full cost recovery, whilst longer-term options are re-appraised.

Recommendations

The Director of Children and Families is recommended to approve the waiver of Contract Procedure Rules no 8.1 and 8.2 in order to award a 12 month contract to Basis Yorkshire, without seeking competition, in the sum of £45,000 per annum. The contract shall commence on the 1st April 2018 and expire on the 31st March 2019.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to waive Contract Procedure Rules 8.1 and 8.2 in order to award a 12 month contract to Basis Yorkshire, without seeking competition, for a period of 12 months from April 2018.

2 Background information

- 2.1 Children and Families has an existing contract with Basis Yorkshire to provide early intervention and support services to help meet the needs of girls and young women at risk of or experiencing child sexual exploitation.
- 2.2 The main purpose of the service is to reduce the risk of child sexual exploitation for individual girls and young women by engaging with and supporting those assessed as at medium or high risk of CSE, in order to increase their self-esteem and confidence, improve their understanding of abusive or exploitative relationships and reduce their risk and vulnerability of sexual exploitation.
- 2.3 The service works with girls and young women at medium or high risk of CSE, up to 17 years of age who have an allocated Social Worker. Risk is defined by the Leeds Children and Families Services and LSCB Child Sexual Exploitation Risk Assessment. The service mainly delivers one to one support to improve girl's identification of abusive or exploitative behaviours and facilitate an understanding of healthy relationships. The service also provides information on a range of related services as appropriate such as drug and alcohol services, mental health services, youth and community services, school nursing services and other such services as deemed appropriate.
- 2.4 In February 2017 the Government published a definition of Child Sexual Exploitation for practitioners, local leaders and decision makers working to protect children from child sexual exploitation¹. The guidance and definition highlights the complexity of Child Sexual Exploitation and how it can be difficult for those working with children to identify and assess. The definition provided is as follows:
- 2.5 *“Child sexual exploitation is a form of child sexual abuse. It occurs where an individual or group takes advantage of an imbalance of power to coerce, manipulate or deceive a child or young person under the age of 18 into sexual activity (a) in exchange for something the victim needs or wants, and/or (b) for the financial advantage or increased status of the perpetrator or facilitator. The victim may have been sexually exploited even if the sexual activity appears consensual. Child sexual exploitation does not always involve physical contact; it can also occur through the use of technology”*
- 2.6 CSE can affect all children and young people from any background. It happens to boys and young men as well as girls and young women. However some groups of children are particularly vulnerable such as, disabled children, children looked after,

¹ Child sexual exploitation: Definition and a guide for practitioners, local leaders and decision makers working to protect children from child sexual exploitation, DfE, 2017

care leavers, migrant children, unaccompanied asylum seeking children, homeless children and those missing from home and care².

- 2.7 Leeds has historically had a healthy third sector delivering support around CSE, mostly for girls and young women at low risk of CSE but also some working with medium to high risk. However, the service delivered by Basis Yorkshire is the only service the Council has funded specifically to provide support in relation to CSE.
- 2.8 The service can be traced back to 1986, since when it has evolved to become a specialist service working with girls and young women at medium to high risk of sexual exploitation. The service has received funding from the Council for many years and this currently stands at £28k per annum. The service provides one to one support for between 40 and 50 girls and young women each year.
- 2.9 The service was reviewed in 2016 and found to be delivering excellent value for money. The outcomes information based on the Outcomes Star distance travelled model and further illustrated through qualitative data such as case studies and personal testimonies indicate that the service has a positive impact on the lives of service users and successfully reduces the risk of CSE. It engages well with numerous other partners including The Safe Project, Safe and Free from Exploitation team based within Children and Families.
- 2.10 An options appraisal to determine the future commissioning of the service recommended to award a further 12 month contract until 31st March 2018, whilst a competitive tender was undertaken to award a new longer-term contract from 1st April 2018. The aspiration was to commission a generic service, which could support both girls and boys at medium to high risk of CSE. The numbers of girls and young women at risk of CSE are higher than boys and young men but it is recognised that CSE does affect boys and young men and that to only externally commission a service for girls and young women is an undesirable anomaly.
- 2.11 A project team was established including representatives from Leeds Safeguarding Children Board, Complex Needs Service and Children and Families Commissioning and Market Management Team to oversee the commissioning and procurement. Given the relatively small budget available, it was decided to undertake a Market Sounding Exercise (MSE) to test market capacity and interest.

3 Main issues

Reason for contracts procedure rules waiver

- 3.1 The MSE undertaken in August 2017 for a service for both girls and boys within the current budget of £28,000 evidenced a lack of market interest and capacity. A lack of experience in supporting young people at high risk of CSE and bidder concern about the limited budget were noted by the project team. Out of six responses, there were only two providers who demonstrated they had the experience to deliver the service,

² Leeds Safeguarding Children Board, <https://www.leedslscb.org.uk/About-us/Child-Sexual-Exploitation/What-is-CSE>

however, they stated they would need to work in partnership to support both girls and boys and believed the budget is too limited for this.

- 3.2 A subsequent options appraisal recommended a new short-term contract be awarded by way of a waiver to Basis Yorkshire, with an increase in budget. Within this, the potential for Basis to work in partnership to deliver support for boys and young men would be explored. This contract would enable the model to be tested before a further MSE be undertaken. This option was dependent on further funding being identified.
- 3.3 However, whilst discussions with officers were taking place to increase the budget, Basis Yorkshire informed the Council in January 2018, that due to the organisation generating a deficit in 2016-17, they are reviewing all contracts where Basis are providing financial subsidy. The current contract value covers front-line staffing only. In order to provide full-cost recovery, the number of front-line staffing hours would be significantly reduced, reducing service capacity by 26% and putting the viability and effectiveness of the service at risk.
- 3.4 The preferred option at this time, therefore, is to award a further 12 month contract to Basis Yorkshire at full cost recovery in order to secure the financial viability of the service, whilst longer-term options are re-appraised. The long-term aspiration remains to commission provision for both girls and boys by way of competition, whether that be a single generic service or two gender specific services working in partnership. Budget remains a significant barrier to realising this aspiration.

Consequences if the proposed action is not approved

- 3.8 This decision is needed to secure this important provision for vulnerable girls and young women at risk of CSE, whilst a longer-term solution can be determined. Without this service, girls and young women at medium to high risk of CSE may not have access to support which can reduce that risk and help them achieve positive outcomes.

Advertising

- 3.9 It is not proposed to advertise this opportunity for the reasons outlined at sections 2 and 3 of this report.

4 Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The current provider has been consulted throughout the process of reviewing the service and has been kept up to date with plans for the contract following the MSE.
- 4.1.2 Service satisfaction feedback and case studies were used as part of the service review in 2016 but it will be vital to undertake meaningful consultation with young people to help inform longer-term commissioning.

4.1.3 Providers were consulted as part of the MSE, which found limited capacity and interest for a generic service at the current budget. Further engagement with the third sector may be needed depending on the outcome of a new options appraisal.

4.2 Equality and diversity/cohesion and integration

4.2.1 An equality impact screening form has been completed and is attached as appendix 1, which shows no detrimental impact as a result of this decision.

4.3 Council policies and best council plan

4.3.1 The service will contribute to the Child and Young People's Plan outcome one: 'All children and young people are safe from harm', and priority two 'ensure that the most vulnerable are protected'.

4.3.2 CSE is a priority for Leeds City Council, being one of the 'Equality Improvement Priorities 2016-20'. To protect children from child sexual exploitation is seen as essential to being a compassionate city. The key indicator of, 'Number of domestic violence and abuse incidents with repeat victims' is reflected in the Best Council Plan. CSE is also a priority for LSCB. The LSCB is committed to working in partnership with the third sector, and, 'to further develop and embed the partnership response to children and young people who are suffering / at risk of sexual exploitation and / or 'go missing' (Annual Report 2014/15, challenges for 2015/16)".

4.4 Resources and value for money

4.4.1 The budget available for this contract in 2017-18 is £28,000 per annum. The budget sits under the Head of Quality and Practice Improvement. An increase in funding to provide full-cost recovery in 2018-19 represents a budget pressure of £17,000; a total contract value of £45,000. The additional cost can be met from existing budgets.

4.4.2 The cost per young person supported is approximately £1,000 (based on an average of 45 young people), which is considerably cheaper than a similar service Basis delivers in North Yorkshire and similar to the unit cost for a comparable service for boys and young men estimated by a provider in Calderdale.

4.4.3 The service works in partnership with the internally delivered Safe Project multi-agency hub and together they appear to be meeting demand fairly well currently. Basis Yorkshire run a small waiting list but the Safe Project is keen to share referrals wherever possible. Both services work with medium to high risk service users with those assessed as low risk being supported by numerous other third sector organisations. The service delivered by Basis Yorkshire offers an alternative service to the Safe Project, working only with young people rather than other family members as well and being independent from the Council.

4.4.4 The provider will be required to submit quarterly monitoring reports including evidence of impact, such as through use of distance travelled tools and case studies.

4.5 Legal implications, access to information and call-in

- 4.5.1 This is a Significant Operational Decision, which is not subject to Call In and there are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 4.5.2 Awarding a contract directly to this provider may 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 as the opportunity is not being advertised. In terms of transparency, it should be noted that case law suggests that the Council should always consider whether contracts of this value would be of interest to providers in other Member States and if it would, subject the matter to a degree of European wide advertising. It is up to the Council to decide what degree of advertising would be 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.
- 4.5.3 The Director of Children and Families has considered this and, due to the nature of the services being delivered, the requirement to physically deliver the service in Leeds, and the relatively low value of this contract is of the view that it would not be of interest to contractors in other EU Member States.
- 4.5.4. There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.
- 4.5.5. Although there is no overriding legal obstacle preventing the waiver of CPR 8.1 and 8.2, the content of the report should be noted. In making their final decision, the Director of Children and Families should be satisfied that the approved course of action represents best value for the Council.

4.6 Risk management

- 4.6.1 The recommendation in this report is the preferred option because it would ensure this important service is financially viable in 2018-19, whilst longer-term solutions can be determined.
- 4.6.2 To mitigate the risk of being in a similar position in 2019-20, it will be essential in 2018 to confirm the budget available as soon as possible and the preferred option for commissioning. This may involve a further MSE and gathering of additional benchmarking data to base value for money assessments on. The service will continue to be subject to robust contract management, with case studies and other methods used to measure outcomes and evidence what works.

5 Conclusions

- 5.1 This decision will help ensure that girls and young women at medium to high risk of CSE are safe and will achieve positive outcomes by contracting with a well-established and experienced provider. The increase in funding does represent a budget pressure but this is considered necessary to secure the financial viability of this provision in 2018-19.

6 Recommendations

The Director of Children and Families is recommended to approve the waiver of Contracts Procedure Rules no 8.1 and 8.2 in order to award a 12 month contract to Basis Yorkshire, without seeking competition, in the sum of £45,000 per annum. The contract shall commence on the 1st April 2018 and expire on the 31st March 2019.

7 Background documents