



**REPORT TITLE: Variation of existing contracts for Children and Family Centres**

<b>Cabinet Date</b>	Wednesday 25 <sup>th</sup> January
<b>Cabinet Member</b>	Cllr Stephen Davies, Cabinet Member for Children’s Safeguarding and Early years
<b>Key Decision</b>	Yes
<b>Purpose of Report</b>	<p>To seek approval to enter into negotiations with the incumbent providers of targeted family support services via Children and Family Centres in Gloucestershire (encompassing Gloucester City, Forest of Dean, Stroud, Cheltenham, and Tewkesbury districts), namely Barnardos and Aspire Foundation, with a view to extending the term of the council’s existing contracts with them for a further period of 9 months, from 1 July 2023 to 31 March 2024, and to then consider and, if appropriate, approve such extensions.</p> <p>Over the same period the provision in the Cotswolds will remain with the council’s inhouse provider, delivered alongside the Supporting Families Programme.</p>
<b>Recommendations</b>	<p>That Cabinet delegates authority to the Executive Director of Children’s Services to:</p> <ol style="list-style-type: none"><li>1. enter into negotiations with the incumbent provider of Targeted Family Support Services within Children and Family’s Centres in the Gloucester City district and the Forest of Dean and Stroud districts, namely Barnardos, with a view to extending the term of the council’s existing contract with it for a further period of 9 months commencing 1<sup>st</sup> July 2023; and</li><li>2. enter into negotiations with the incumbent provider of Targeted Family Support Services within Children and Family’s Centres in the Cheltenham and Tewkesbury districts, namely Aspire Foundation, with a view to extending the term of the council’s existing contract with it for a further period of 9 months commencing 1<sup>st</sup> July 2023.</li><li>3. consider and, if appropriate, approve each of the said contract extensions following the conclusion of such negotiations.</li></ol> <p>Such modifications are necessitated by the transformation proposals the council is developing for its children’s services, in response to the findings of the Ofsted inspection (February 2022) and national reviews, detailed</p>

	<p>elsewhere in this report, which have made the procurement of two replacement Targeted Family Support Services contracts in the specified districts unachievable until further work is carried out by the council in developing a revised commissioning strategy which incorporates such transformation proposals. It will not be possible to complete such work in time to run a procurement process ready for a contract start date of 1<sup>st</sup> July 2023, i.e., when the council's current contracts with Barnardos and Aspire Foundation are due to expire.</p> <p>Separate from the contract extensions referred to in Recommendations (1) (2) and (3) above, but complementary to them, the targeted family support services within Children and Family's Centres in Cotswold district will continue to be delivered in-house by the council, through the Supporting Families Programme which will have a value of £306,395.</p>
<p><b>Reasons for Recommendations</b></p>	<p>The proposed contract extensions will provide additional time to revise the council's commissioning strategy and allow for further community and voluntary sector engagement.</p> <p>It will also enable the interrelationship between the children's social care transformation proposals and the Children and Families Centres contracts to be fully explored, as the basis for the development of an integrated and seamless offer for children and families.</p>
<p><b>Resource Implications</b></p>	<p>The total aggregate annual value of the council's current contracts with Barnardos and Aspire Foundation is £3,625,482.</p> <p>The value of the proposed 9-month extension to the council's contract with Barnardos described in Recommendations 1 and 3 is anticipated to be £1,685,413.</p> <p>The value of the proposed 9-month extension to the council's contract with Aspire Foundation described in Recommendations 2 and 3 is anticipated to be £1,033,698.</p> <p>Both of the proposed contract extensions shall be funded through existing budgets.</p>

<p><b>Background Documents</b></p>	<ol style="list-style-type: none"> <li>1. Cabinet paper February 2022 <u><a href="#">Decision - The recommissioning of Children and Family Centres as the starting point for the development of Family Hubs across Gloucestershire for children aged 0-19 years (up to 25 years where children have special educational needs or disabilities).</a></u></li> <li>2. Cabinet paper July 2021 <u><a href="#">Decision - Variation of existing contracts for an extension to the existing services to Children and Family Centres</a></u></li> <li>3. Cabinet paper June 2016 <u><a href="#">Reshaping Services for Families with Young Children</a></u></li> <li>4. The best start for life: a vision for the 1,001 critical days <u><a href="#">The best start for life a vision for the 1 001 critical days.pdf (publishing.service.gov.uk)</a></u></li> <li>5. Children and Young People’s Plan 2015-18 <u><a href="https://www.gloucestershire.gov.uk/council-and-democracy/strategies- planspolicies/children-and-families/">https://www.gloucestershire.gov.uk/council-and-democracy/strategies- planspolicies/children-and-families/</a></u></li> <li>6. Right Placement First Time – Sufficiency Strategy <u><a href="#">Sufficiency Strategy 2018 - 2021 - Gloucestershire County Council</a></u></li> <li>7. Children and Family Centres information and local offer <u><a href="#">Local Offer - Search Results   Glosfamilies Directory</a></u></li> <li>7. Summary, executive summary, booklets and data dashboards for Children and Family Centres can be viewed upon request to the report author.</li> <li>8. Pre engagement undertaken with children and families (Nicholas Day Associates), with partners and key stakeholders and with youth support (DNA Youth Consultancy) have all been listed below and can all be viewed upon request to the report author: <ul style="list-style-type: none"> <li>‘GCC – Report of Engagement on the Future of Children &amp; Family Centres</li> <li>‘Locality finding, provision and gaps’</li> <li>‘DNA Gloucestershire Summer 2021’</li> </ul> </li> </ol> <p><b>‘Children &amp; Families pre-engagement survey November 2021’</b></p>
<p><b>Statutory Authority</b></p>	
<p><b>Divisional Councillor(s)</b></p>	<p>All</p>

<b>Officer</b>	Name: Wendy Williams Tel. no: (01452) 328526 Email: wendy.williams3@gloucestershire.gov.uk
<b>Timeline</b>	February 2023 Issue VEAT Notice. February 2023 – May/June 2023 Finalise transformation proposals and engagement with providers and stakeholders. July 2023 – Contract extensions commence. July 2023 – Finalise revised commissioning strategy and report to Cabinet with recommendations. September 2023 – Issue Tender. April 2024 – New services commence.

## Background

1. In February 2022, Cabinet approved the recommissioning of children and family centres from 1st April 2023 as a starting point for the development of the family hub model for children 0-19 yrs. (25 yrs. for SEND) across Gloucestershire. The decision made was to commission the service across three lots encompassing the 6 district localities as follows:
  - a) Lot 1: Gloucester and Forest of Dean
  - b) Lot 2: Stroud and Cotswolds
  - c) Lot 3: Cheltenham and Tewkesbury
2. The development of a draft specification has been progressing over the past 18 months through engagement with a range of partners and stakeholders, at a series of locality and county wide events. Provider market engagement events took place in May 2022. All events have been based on commissioning services through the above Lots, whilst maintaining a strong commitment towards locality partnership working.
3. In August 2022, approval was given to vary the council's existing contracts with Barnardos and Aspire Foundation for the provision of targeted family support services with Children and Family Centres in Gloucestershire (covering Gloucester City, Forest of Dean, Stroud, Cheltenham, and Tewkesbury districts) by changing their expiry dates from 1 April 2023 to 30 June 2023., The provision within the Cotswolds will stay inhouse and be delivered alongside the Supporting Families Programme.
4. Children and family centres will be an integral element within the development of a Family Hub model for the county. Alongside statutory services such as family support, health visiting, midwifery and early years, the voluntary and community sector (VCS) are keen to maximising the model's potential for children and families in all parts of the county. Ongoing discussions with the voluntary and community sector have been a key feature in developing our vision to date.
5. While the VCS dialogue has been constructive and feedback largely positive, it has also raised profound questions around how future services might be configured, both in terms of their content and spatial configuration, that have yet to be fully resolved. The extension of 9 months from 1 July 2023 – 31 March 2024, as set out in this decision, would allow for further discussions, building on the positive work to date, with the aim of developing an approach that delivers a seamless local offer for children and families.
6. GCC children's services were inspected by Ofsted in February 2022, with an overall judgement of 'requires improvement to be good'. This outcome acknowledged the progress to date but also that more was needed to deliver consistently good services and greater continuity/stability of service provision. A service transformation programme, informed by the learning from the inspection, has proposed a locality-based approach which would bring social care, early help, children and family centres, youth support and other commissioned services into area-based arrangements. Alongside the Ofsted inspection outcome, the proposals also reflect the findings of the Independent Review of Social Children's Social Care (May 2022) and National Panel Review: Child Protection in England.

7. The independent review proposes a new 'Family Help' offer that aims to reduce the handovers children and families experience as they navigate services, which can become preoccupied with gatekeeping and assessment to manage resources. This will require a greater degree of integration than at present, with multi-agency teams embedded in neighbourhoods, which are also able to draw upon community assets to avoid stigmatising those families seeking support. Meeting this challenge will require the transformation programme and recommissioning of children and families' centres to be complementary and proceed from a shared strategic vision.
8. The proposed contract extensions of 9 months described in Recommendations 1, 2 and 3 above would provide the council with sufficient time to enable the detail of the transformation proposals when finalised, and their interrelationship to the Children and Families Centres contracts, to be fully worked through and incorporated within a revised commissioning strategy. It would also be the aim, through the negotiation process with the incumbent providers, to sustain the current range of service provision over the agreed extension period.

## Options

9. **Option 1: Do nothing.** This would involve proceeding as previously agreed by the Cabinet Member in the ICM decision dated 17 August 2022, with the recommissioning services in 3 Lots and services commencing on 1 July 2023. While this will not preclude voluntary and community sector organisations from bidding individually or as part of a consortium, the process will not have had the opportunity to fully exploit the opportunities highlighted through the VCS engagement undertaken to date. The integration with children's services transformation would also be less well-developed potentially leading to a less seamless offer for children and families.
10. **Option 2: Extend the term of the current contracts by a period 9 months commencing 1 April 2024.** This would allow additional time for VCS, partner and stakeholder engagement in order to maximise opportunities for their participation and contribution towards a Family Hub model for the county, thereby reducing barriers for smaller organisations and those who are district specific, in order to incorporate the transformation proposals for children's services. An extension would also provide greater opportunity to align the emerging family hub model and the locality model envisaged by the children's social care transformation programme.

## 11. Risks

There are several risks associated with his decision:

### Risk:

Extending the term of the current contracts will delay the improvement and transformation of universal, early intervention and prevention services for families.

### Mitigation:

Work will continue with existing providers to continually improve and refine the offer to families within the current contractual arrangements. The additional time will also provide

the opportunity to take full account of the direction of travel for national policy and build on the positive dialogue with VCS in seeking to develop a more effective and integrated Family Help offer for the county.

**Risk:**

There is a risk in respect of any contract extension, that it may be subject to legal challenge under the Public Contract Regulations 2015 (“PCRs”)

**Mitigation:**

It is acknowledged that a contract extension is only permissible under the PCRs on very limited grounds, however the contract extensions proposed in this report are justified on the following basis:

**Technical Reasons:** There are technical reasons which prevent the council from procuring replacement Targeted Family Support Services at this time from providers other than the incumbents – the Independent Review and National Panel reports have only recently been published (i.e., May 2022), with the transformation of children’s social care having to take account of their findings, along with the Ofsted inspection outcome. It would not be possible to explore and embed the challenges and opportunities these changes present within the current tender timetable for greater service integration and improvement may be missed. It will not, therefore, be possible to complete the necessary service specification scoping work in time to run a procurement process ready for a contract start date of 1<sup>st</sup> July 2023, i.e., when the council’s current contracts with Barnardos and Aspire Foundation are due to expire

**Significant inconvenience or duplication of costs:** If the current council’s current contracts are not extended on the proposed basis the council would incur:

- (a) the costs of running a procurement process for the current specification of services to commence on 1 July 2023 when a further procurement process for the new specification of services would likely begin shortly thereafter;
- (b) the cost of mobilising and contract managing the change to a new contractor (if the incumbents did not win the contract from 1 July 2023) only to carry out the same process for the new specification of services which start on 1 April 2024;
- (c) the additional cost of a short-term service (or in-house delivery) only covering the 9-month period from 1<sup>st</sup> July 2023 after which a contract for the new specification of services will start.

**The increase in price resulting from each of the proposed 9-month contract extensions shall not exceed 50% of the respective original contract values:** The value of the proposed 9-month extension to the council’s contract with Barnardos is anticipated to be £1,685,413 and the value of the proposed 9-month extension to the council’s contract with Aspire Foundation is anticipated to be £1,033,698.

Given that the original value of the council’s contract with Barnardos was £13,783,308

and the original value of the council's contract with Aspire Foundation was £8,602,084, the value of each of the proposed contract extensions is anticipated to be less than 50% of the respective original contract values: Regulation 72(1)(b) PCR provides that where several modifications are made, the 50% threshold applies to the value of each modification subject to the proviso that such successive modifications should not be aimed at circumventing the application of the procurement rules, hence further mitigation results from the fact that even if the value of all previous extensions made to each contract were added together (including the proposed new extension hereunder), it would nevertheless remain below the said 50% threshold.

**Risk:**

There is a reputational risk for GCC in further delaying progress towards procurement.

**Mitigation:**

The timing of the Ofsted Inspection and publication for the Independent Review and National Panel reports were outside of GCC's control but have profound implications for the future shape and scope of services for children. Understanding the implications for the work to date on children and family hubs, with the aim of proceeding based on a shared vision. The extra time will build on the positive VCS dialogue to date and enable this to be reflected within the procurement process going forward

**Financial implications**

12. There are no financial implications with the 9-month extensions, with the total anticipated value for both of £2,948,907.75, being funded through existing budgets.

**Climate change implications**

13. There are no significant climate change implications associated with this decision.

**Equality implications**

14. An Equalities Impact Assessment (EIA) has been completed in support of this decision.
15. Cabinet Members should read and consider the Equalities Impact Assessment to satisfy themselves, as decision makers, that due regard has been given to equalities considerations.

**Data Protection Impact Assessment (DPIA) implications**

16. A DPIA is in place to support the recommissioning exercise when that happens. Whilst amending the DPIA was considered for this contract extension, it was not considered necessary as this is a temporary continuation of our current contract with our incumbent suppliers. As a result, the proposed contract extension does not pose any additional or unforeseen data protection risks that need to be specifically highlighted that have not been considered and mitigated against on previous occasions.



### **Social value implications**

17. The social value will be unchanged. However, the Council would continue to work with the two providers to look at potential opportunities within the contract to deliver social value.

### **Consultation feedback**

18. There has been no consultation regarding the proposed extension which is required due to the combination of contextual factors set out earlier in this report.

### **Officer recommendations**

19. Considering the options and associated risks, Officers advice that under the current circumstances **Option 2** is recommended and, more particularly, the Recommendations contained in this Report.

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### **Performance management/follow-up**

20. The Children and Family Centre contracts will continue to be monitored quarterly by the Children's Services Commissioning Team. Relevant performance data will be evaluated as part of the reshaping and developing of the new Family Hub model.