

CABINET MEMBER DELEGATED DECISION REPORT 24 SEPTEMBER 2021

Report title: Extension of Supervised Contact services provided by Swanstaff Recruitment Ltd

Wards: All

Portfolio: Cabinet Member for Children and Young People: Councillor Edward Davie

Report Authorised by: Merlin Joseph, Strategic Director for Children's Services

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Report summary

This report seeks authorisation to waive the Contract Standing Order 8.2 and extend, the Supervised Contact contract held with Swanstaff Recruitment Ltd.

The original contract commenced in 2012 and was extended for two years in 2016. The contract was further extended in 2018 and 2019 (for 12 months) so reviews/studies and a new procurement process could be undertaken, while the service remained in place. This extension ended in March 2020. The result of the tender was not satisfactory as it came in over the designated budget allocation, and the service was extended until December 2020.

Supervised Contact is a statutory service provided by the local authorities where the child or young person has been accommodated by the local authority and a need has been identified for the child or young person to have contact with their birth parents and other relatives. These are usually under orders as specified by the court (under section 8 of the Children's Act 1989). A further extension until 31 March 2022 will be required so the outcome of the business case can be implemented in the new tender for the Supervised Contact Service. This extension will maintain continuity of service whilst a business case is completed with regards to the new service. This is aligned with the procurement and new contract start date. It is recommended that the contract is extended from 1 January 2021 to 31 March 2022.

There was no formal approval in place for the spend between 1 January 2021 and 24 September 2021 therefore the Cabinet Member is asked to note spend made during this period.

Finance summary

The budget for the Supervised Contact Service is held within the Children's Social Care budget.

The current extension expired on 31 December 2020. This further extension will be for 15 months, from 1 January 2021 to 31 March 2022 at a total cost of £500,000.

Recommendations

1. To note the expenditure from 1 January 2021 to 24 September 2021 for an amount of £266,666.67.

2. To waive Contract Standing Order 8.2 and to extend the existing contract for Supervised Contact services with Swanstaff Recruitment from 24 September 2021 to 31 March 2022 for an amount of £233,333.33 and a total value of £500,000.

1. CONTEXT

- 1.1 Lambeth Children's Social Care remains committed to improving outcomes for all its children, young people and their families, by continuously looking at developing and commissioning integrated services that meet local needs. Supervised Contact is a statutory service provided by the local authorities where the child or young person has been accommodated by the local authority and a need has been identified for the child or young person to have contact with their birth parents and other relatives. These are usually under orders as specified by the court (under section 8 of the Children's Act 1989).
- 1.2 This report is seeking approval for a fifteen-month extension to the current Supervised Contact service contract held by Swanstaff Recruitment Ltd, the original delegated decision and contract allowed for the contract to be extended. The contract was extended in 2017 and again in 2018 for 12 months whilst a contract review and options paper was completed. This resulted in the service being further extended from June 2019 to March 2020 while a tender process was undertaken. The result of the tender was not satisfactory as it came in over the designated budget allocation, and the contract could not be awarded (with a further extension put in place until the end of September 2020). Please see point 2.3 of this document for options. Another extension was put in place in October 2020 for a three-month term via a DIY waiver. The current extension ended on 31 December 2020. A decision has now been made to re-tender the service, so the proposed extension from the 1 Jan 2021 to 31 March 2022 will ensure continuity of service whilst a business case is conducted with regards to the location and specification for the new tender. This timeframe enables adequate time for decisions to be made and implemented, in terms of the business case and any potential contractual or location changes, relating to the new tender. The budget holder(s) will decide how to move forward based on the information presented in the business case in September 2021.
- 1.3 This report relates to the Future Lambeth: Our Borough Plan 2016-2021's strategic priority to reduce inequalities in the borough by 'committing to protect and support our most vulnerable residents and support their independence and recovery and pursue health and wellbeing'.

It also relates to the following.

Children's Act 2004 - This Act places a duty on local authorities and their partners (including the police, health service providers and the youth justice system) to co-operate in promoting the wellbeing of children and young people and to make arrangements to safeguard and promote the welfare of children this involves working with the whole family.

The Munro Review of Child Protection Services – that ensures that the needs and the positive outcome for the children remain the focus of any intervention.

The Family Justice Review – which focuses in on ensuring that the best possible outcome is reached within a reasonable time frame, by providing services that will equip both families and the local authority to achieve this.

Children and Families Act 2014 –

- Local authorities are charged with ensuring that the views, wishes and feelings of the child and his or her parent, are taken into account.

- The importance of the child and his or her parent, or the young person or the young person; participating as fully as possible in decisions relating to the exercise of the function concerned.
- The importance of the child and his or her parent, or the young person, being provided with the information and support necessary to enable participation in those decisions.
- The need to support the child and his or her parent, or the young person, in order to facilitate the development of the child or young person and to help him or her achieve the best possible educational and other outcomes.

1.4 This is a Gateway 3 report.

2. PROPOSAL AND REASONS

2.1 The proposal is to grant a fifteen-month extension to the Supervised Contact service contract at a total cost of £500,000. This extension will allow the Council sufficient time to undertake various feasibility reports and business cases to enable any changes to the potential new tender to be implemented. The proposal to extend has been agreed by senior management.

2.2 A service review and options paper was completed in January 2017. Since 2017, regular quarterly reviews and monitoring of the service including Key Performance Indicators (KPIs) has been conducted. The reviews and monitoring found the following: -

- The current supervised contact service is operating to a good standard.
- There was a good working relationship between the provider and the local authority which has resulted in Lambeth families receiving a much better service with better outcomes for the borough's children and young people based on the feedback obtained from social workers and the children and families themselves.
- The provider has brought down the number of empty hours (no shows and cancellations), thus contributing to budget savings.

The reasons for the recommended decision are:

- The Supervised Contact Service re-tender recently undertaken resulted in the contract not being awarded due to tender submissions coming in higher than the agreed budget. The reason for this is because over the previous years it was identified Lambeth did not utilise all the hours it was funding and therefore reduced the budget in accordance to the activity that was seen over the previous years. This has now changed partially due to Covid19 and more children and young people are being referred to the service (evident from the data seen in monitoring meetings). Therefore, a procurement needs to be restarted once feasibility reports and a business case has been presented to the Senior Management Team for decisions to be made, regarding Supervised Contact and the new tender. The decisions are expected to be finalised in September 2021.
- The recommendations will allow officers to consider the budget to accommodate the following issues that were not in place when the original contract was first issued in 2012:
 - increase in the London Living Wage year on year
 - introduction of the statutory workplace pensions
 - Inflationary uplifts linked to Consumer Price Inflation Index (CPIX) or the more realistic Retail Price Index (RPIX).
 - COVID19 additional costs to implement and maintain safety measures

- increase to the number of children and young people at the “front door” which will have an impact on the number of hours required for service delivery for the duration of the new contract.
- Review all hidden costs that Children’s Social Care is currently picking up to ensure this is implemented in the new specification and tender documents so that the provider can pick up the costs such as business rates for the building used for the service and facilities management costs.
- Implement a realistic re-tender timeframe for the new service, to accommodate any core contract and accommodation changes that may be required thus needing service approval.
- Continuity of service provision - as there is nothing to replace this statutory service - an extension would offer continuity of service provision whilst a tendering exercise is completed.
- COVID-19 has meant the services need to develop a COVID safe model of delivery and thus have will be ensuring guidance is being always followed to enable a Safe Contact to continue.

2.3 Other options that were considered included the following: -

1. Decommission service – at contract end of extension in December 2020 and spot purchase

Pros:

- This may offer initial savings in the interim.

Cons:

- This would not be very cost effective as past experience has shown that spend can spiral out of control if not constantly monitored.
- Disruption of or possible break in service could have a negative impact on the young people and families.
- Not enough time to ensure a smooth handover of cases.
- Loss of continuity and quality of service.
- TUPE not taken into consideration for existing staff supervised contact staff.
- Issues with where the service will be held particularly in light of COVID-19 and the need to maintain a COVID-19 secure and safe space for visits.

2. Extend the current - provision preferred option

Pros:

- Continuity of service remains in place.
- As the service is already provided from a Lambeth building, there will be no additional accommodation costs.
- Lease and building arrangements remain and the space or venue is not undermined.
- Stability of employment for supervised contact staff ensuring consistency of support.
- Ability to build on relationships and troubleshooting issues.
- Allows time for further work to consider different models of service provision.
- Allows time for testing the market to check availability of potential local providers.
- Allow time to consider creating innovation in service provision and better value for money.

Cons:

- Savings will not be made for this financial year as the current model is potentially out of date.

2.4 Contract Management

The proposals for managing and continuous monitoring of the contract is set out in the service specification. The monitoring arrangements requires the provider to submit specific performance data on a quarterly, this data is analysed by the lead officer and conclusions brought forward for discussion at the operational meeting which include the provider and service leads and at the annual review meetings. The designated contract officer is tasked with setting up and managing review meetings. This contract has worked very well and has improved year on year. The contract has achieved an average Contract Performance Review (CPR) score of 47 out of an overall score of 50 over the life of the contract.

3. FINANCE

Spend to date

Contract date	Contract Cost
01/10/2012 – 30/09/2016 (12mths)	£1,600,000
01/10/2016 – 30/09/2017 (12mths)	£400,000
01/10/2017 – 31/05/2018 (7mths)	£266,666
01/06/2018 – 31/05/2019 (12mths)	£400,000
01/06/2019 – 31/03/2020 (10mths)	£333,333
01/04/2020 – 30/09/2020 (6mths)	£200,000
01/10/2020 – 31/12/2020 (3mths)	£100,000
01/01/2021 – 31/03/2022 (15mths)	£500,000
Total	£3,799,999

- 3.1 The budget for the Supervised Contact Service is held within the Children's Social Care budget.
- 3.2 The current contract expired on 31 March 2020 with further extensions being approved until 31 December 2020 due to the failed re tender exercise. This extension will be for fifteen months, from 1 January 2021 to 31 March 2022 at a total cost of £500,000.

4. LEGAL AND DEMOCRACY

- 4.1 The Council has delegated the authority to award this contract to the Cabinet Member for Children and Young People. Before exercising that authority, Procurement Board should be consulted.
- 4.2 The Public Contracts Regulations 2015 and public sector procurement from 1 January 2021 applies to the proposed award. For contracts for goods and for services set out in Schedule 3 of the Regulations, there is no requirement to publish a contract notice in the Find A Tender Service if the estimated value is below the £663,540 threshold. The Regulations allow contracting authorities to negotiate contract extensions where additional services are required from the contractor that through unforeseen circumstances were not included in the original contract. It must be the case that the additional services cannot be technically or economically separated from the original contract without great inconvenience to the contracting authority, or although separable, are strictly

necessary for the completion of the original contract. The aggregate value of all contract variations / extensions should not exceed 50% of the value of the original contract.

- 4.3 This proposed key decision was entered in the Forward Plan on 19 July 2021 and the necessary 28 clear days’ notice has been given. In addition, the Council’s Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. CONSULTATION AND CO-PRODUCTION

- 5.1 The Commissioning cycle requires that we work together to plan, do and review what happens in the borough. This extension will enable us to work with stakeholders (including the Cabinet Member and service users) to be clear about the changes we want to see (outcomes); as such, this extension will enable us to map resources and funding and further develop service options which stakeholders co-design
- 5.2 Current feedback from key stake holders has been positive throughout the life of the contract. However, the change in venue; moving from Brixton Water Lane to 14 White Hart street has created some issues linked to the size, locations, and layout of the building. Additionally, COVID-19 has seen 50% of the building not being utilised to maintain safety which has caused some concern that officers are resolving.
- 5.3 Fortnightly meetings now take place where the provider and social work teams can meet, discuss and trouble shoot issues and support the management of cases. Foster carers are now invited to attend those meetings to express their concerns.

6. RISK MANAGEMENT

Table – Risk Register

Item	Risk	Likelihood	Impact	Score	Control Measures
1	Statutory requirement for this service area means that there can be no break in service provision	2	4	8	The Council is required to provide these services in accordance with the statutory guidance and legislation and because there is an allocated budget financial risk is low. Risk of Challenge for further non-competition is also low due to the fact that there is no change to the current service delivery. Once a decision has been made regarding the future of the

					service, this will then be opened up to competition.
2	Ensuring that children and families have access to the services at all times and there is enough provision available	2	4	8	There is however the potential for a risk arising if children and young people and their families do not have timely access to support services that can make the difference between a child staying with their family and being taken into care. If a child or young person is deemed to meet the eligibility criteria for social care services, the council is obliged to fulfil its statutory duty. Having this contract extended whilst a decision is reached on what the new service will look like mitigates this risk.
3	<u>COVID 19 (Pandemic)</u>	4	4	16	New tender specification will need to incorporate COVID -19 policies and measures. Previous tender was conducted before the pandemic started. Also could effect workforce.
4	<u>No new contract in place by September 2022</u>	3	2	6	A further extension will be required for the statutory service to remain in place while a new tender is conducted with the implemented changes to the contract/specification from the pending business case.

Key

Likelihood	Very Likely	4	Likely	3	Unlikely	2	Very Unlikely	1
Impact	Major	8	Serious	4	Significant	2	Minor	1

7. EQUALITIES IMPACT ASSESSMENT

- 7.1 An Equalities Impact Assessment was undertaken as part of the procurement strategy considerations and was assessed as Low. Equality monitoring also forms part of the contract monitoring process. (appended in background papers)

7.2 A full Equalities Impact Assessment will be completed as part of the tendering exercise.

8. COMMUNITY SAFETY

8.1 Keeping vulnerable families together where safe and avoiding family breakdown is expected to have impact positively on children and young people. A stable family environment is likely to allow for better educational and health outcomes for children and young people in addition to significantly contributing to community safety by reducing the potential for young people and their families to become involved in anti-social behaviour and or criminal activity.

9. ORGANISATIONAL IMPLICATIONS

9.1 Environmental

In accordance with the Council's Environmental Charter, procurement activities for the supervised contact service have considered the implications of contact activities by considering sustainable transport means to access the service through green travel plans and awareness campaigns, use of sustainable natural materials in settings and increased access and awareness of natural play elements and the environment. Contact Service providers are required as condition of contract to pursue environmental sustainability policies which includes ensuring that that as far as practicable that their business encompass use of recyclable resources, inspecting these policies form part of the contract management process.

9.2 Staffing and accommodation

The contact service is offered from a Lambeth building that offers additional facilities for children with disabilities and other Lambeth staff.

9.3 Responsible Procurement

This service fits in with the co-operative Council principle 2 by providing services at the appropriate level and that are community based.

The Council has identified six key priorities as the current focus for the added value that suppliers can achieve for the Council; all of which have been considered. However, the following are most applicable for the procurement project:

Good quality jobs with fair pay and decent working conditions

- London Living Wage.
 - Comply with the requirements of the Modern Slavery Act.
 - Have a whistle allowing policy in place.
 - Allow staff the freedom to join a Trade Union.
- a) The provider is responsible for the terms and conditions of employment of staff and volunteers, and that these conditions reflect Lambeth's corporate policies and conform to statutes.
- b) The provider has been paying its staff the London living wage since 2014.

Quality apprenticeships accessed by Lambeth residents particularly those from Lambeth priority groups:

- Particularly Black and Minority Ethnic Groups.
 - Young 18 – 25 Not in Education, Employment, or Training (NEET)
 - Disabled.
 - Care leavers.
- c) The provider has already offered a number of apprenticeships and other volunteering opportunities to Lambeth residents.

Quality and range of targeted employment opportunities for residents from Lambeth priority groups:

- Employment placements for those under 25 that find it difficult to access the employment market.
 - Access and retain suitable employment for Lambeth long-term unemployed and those with complex needs.
- d) The provider already contributes to employment and the elimination of worklessness within the borough, by employing 80% of its work force locally.

Reduce emissions with a focus on cutting our carbon footprint and improving air quality

- N/A

Reduce consumption of raw material, reuse materials and recycle – focus to reduce use of single use plastics

- N/A

- e) All procurement activities for the supervised contact service have complied with the corporate procurement strategy and departmental commissioning guidance. Due regard has been given to the law and to contractual obligations to ensure fair dealing and competitiveness throughout this process.

9.4 Health

Children’s Social Care remains committed to improving outcomes for all its children, young people and their families by continuously looking at developing and commissioning integrated services.

This service relates to Lambeth Children’s Service Plan’s strategic priorities to safeguard and protect children and young people.

10. TIMETABLE FOR IMPLEMENTATION

10.1

Item No.	Item Description	Date
1	Senior Manager's approval	2 August 2021
2	Procurement Board	10 August 2021
3	CSMT	6 August 2021
4	CMB	23 December 2020
5	Extension start date	1 January 2021
6	Date added to the Forward Plan	19 July 2021
7	Publication on decisions online	16 September 2021
8	Decision date	24 September 2021

Audit Trail				
Consultation				
Name/Position	Lambeth directorate / department or partner	Date Sent	Date Received	Comments in paragraph:
Councillor Edward Davie	Cabinet Member for Children and Young People	17 Dec 20	22 Dec 2020	Throughout
Merlin Joseph – Strategic Director	Children’s Services	02/08/2021	10/08/2021	Throughout
Abi Onaboye – Director	Integrated Children’s Commissioning and Community Safety	02/08/2021	10/08/2021	Throughout
Dan Stoten Assistant Director	Integrated Children’s Commissioning and Community Safety	02/08/2021	10/08/2021	Throughout
Alex Kubeyinje, Director	Children’s Social Care	02/08/2021	10/08/2021	Throughout
Rachel Harrison, Finance	Finance and Investment	02/08/2021	10/08/2021	3
Michael O’Hora, Legal Services	Legal and Governance	05/8/2021	25/8/2021	4
Marianna Ritchie Democratic Services	Legal and Governance	02/09/2021	02/09/2021	Throughout
Marcele Henry, Thomas Commissioning Officer	Integrated Children’s Commissioning and Community Safety	02/09/2021	06/09/2021	Throughout

Report History	
Original discussion with Cabinet Member	Yes
Report deadline	N/A
Date final report sent	N/A
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	19 July 2021
Key decision reasons	N/A
Background information	Children and Young People's Plan Children's Act 1989 Future Lambeth: Our Borough Plan 2016-2021 Supervised Contact Award document - June 2012 Contract Extension 2016 - Sep 2017 Equality Impact report – 2017 Contact Extension Oct 2017 - 2018 Contract Extension 2018 – 2019 Contract Extension until Sept 2020 Contract Extension OCT – DEC 2020
Appendices	None

APPROVAL BY OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board and taken account of their advice and comments in completing the report for approval:

Signature: _____ **Date:** _____

Post: Melissa McArthur
Lead Commissioner, Children's Services

I approve the above recommendations:

Signature: _____ **Date:** _____

Post: Councillor Edward Davie
Cabinet Member for Children and Young People

Any declarations of interest (or exemptions granted): N/A

Any conflicts of interest: None

Any dispensations: No