

SHEFFIELD CITY COUNCIL

INDIVIDUAL CABINET MEMBER DECISION RECORD

The following decision was taken on 3rd December 2019 by the Cabinet Member for Children and Families.

Date notified to all members: 3rd December 2019.

The end of the call-in period is 4:00 pm on 9th December 2019.

Unless called-in, the decision can be implemented from 10th December 2019.

1. **TITLE**

Observational Contact Service

2. **DECISION TAKEN**

The Cabinet Member:

- 1) agrees the proposal for officers to conduct a thorough review of the Observational Contact Service to develop and improve the experiences of children & young people and their families and to explore the possibility of providing the service in a variety of ways including bringing it back in-house and report back within 6 months with an option appraisal;
- 2) approves the proposal to recommission and retender a contact service framework of providers to be called-off as necessary for a period of up to four years; and
- 3) delegates authority to the Director of Finance and Commercial Services and in consultation with the Executive Director of People's Portfolio or his nominated representative to award the framework contract(s).

3. **Reasons For Decision**

1. The Council has a statutory responsibility to provide contact for children and young people in care and is not currently in a position to deliver this service in-house.
2. Procuring a framework for up to 4 years, with break clauses each year, provides both continuity and flexibility thereby enabling SCC to explore bringing all or some of the service provision in-house .
3. Procuring a framework for the proposed revised service ensures:
 - the model of delivery remains fit for purpose
 - that the providers of the service can meet the changing needs of children looked after and their key contacts so that we maintain our

ability to deliver a quality service which has value for money principles.

4. The proposed option therefore enables SCC to resolve the long-term strategic direction for the observational contact function and to generate savings in the meantime through a stratification of the levels of contact necessary.

4. **Alternatives Considered And Rejected**

1. SCC could approach the market to create a Dynamic purchasing Procurement System (DPS) multi-supplier framework agreement. This would enable SCC to appoint providers at the beginning of the framework period and would allow for additional providers to apply to join the framework throughout its duration. The recommended term of the DPS framework would still be up to 4 years as a shorter arrangement could result in a permit the review of the service to be undertaken and completed and any subsequent action taken to bring it in-house, should that decision be taken, without a need for a further interim arrangement to go out to market again.
2. A DPS Framework Agreement with multi-agency providers can enable greater market competition and, if and, when new providers join it would facilitate more choice for children and families. Greater market choice is also a driver for reduced pricing. A DPS framework maximises the opportunities to develop localised contact. It is also designed to develop ongoing market capacity allowing for organisations, which were not ready to participate in the original tender, to organise the appropriate facilities to fulfil the contract requirements. However, due to the fact that providers can apply to join the DPS at any time a DPS framework is more resource intensive. The mechanisms for call-offs are also more restricted with a DPS and the way they operate is generally better suited to “off the shelf” products and services.
3. SCC could alternatively approach the market to seek to appoint a single supplier to undertake the contract. The approach would be taken that SCC would not guarantee a set number of hours as part of the contract. This approach could be regularly reviewed and the authority would retain the right to amend this subject to predicted future demand and experience of practice.
4. Adopting a single provider approach would have the benefit of reducing time spent of contract management and ancillary activities. However it would expose the Council to the risk of having a sole provider delivering all its observational contact services. The risk of a single point of failure in respect of a statutory service is seen as outweighing the benefit attached to a reduced burden in terms of contract management. There was also concern that city wide access and availability for this service could prove challenging for a single supplier. Current suppliers with their facilities are

geographically based whereas this option would require a provider to have staffed facilities across the city available at evenings, weekends etc.

5. SCC could choose not to undertake any further procurement activity in relation to this service provision.
6. Doing nothing to continue this service provision via a legally compliant procurement procedure will see the failure of the Authority's statutory functions in relation to Looked After Children. The Local Authority has a duty to promote contact between children who are Looked After and their families under Schedule 2 of the Children Act 1989 and Children and Families Act 2014. Failure to meet a statutory duty leaves the Authority vulnerable to legal challenge by way of judicial review and the negative publicity and reputational damage. Consequently, in the event that SCC was not in contract (written or by performance) it would have to discharge its statutory duty by delivering in-house with immediate effect. As SCC does not currently have the capacity or capability to do so, this cannot be considered as a realistic option.

5. **Any Interest Declared or Dispensation Granted**

None

6. **Respective Director Responsible for Implementation**

Executive Director, People Services

7. **Relevant Scrutiny Committee If Decision Called In**

Children, Young People and Family Support Scrutiny Committee