



**Author/Lead Officer of Report:** (Sam Martin  
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**Report of:** *Jayne Ludlam*  
**Report to:** *Leader of the Council*  
**Date of Decision:** *1<sup>st</sup> September 2016*  
**Subject:** **Sheffield Futures contract extension**

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Children, Young People &amp; Families</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Children, Young People &amp; Families</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>938</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i>		

**Purpose of Report:**

This report requests a Leader Decision to extend for 6 months the Council's current contract arrangements for the delivery of young people's services in order to ensure continuity of delivery of services for young people by Sheffield Futures. This will allow the Council to make an informed and considered decision about how it wishes to arrange and manage the delivery of these services in the future. This paper provides context to this request.

**Recommendations:**

That approval is given to extend the Council's current contract for Young People's services for a 6 month period from 1<sup>st</sup> April 2017 to 30<sup>th</sup> September 2017. The supplier is Sheffield Futures. Contract value for that period is £1,328,562. The extension has two key purposes – ensuring continuity of delivery until such time as a new model is developed and, should it be required, to allow time for a competitive tender or service redesign process to be executed. Services *may* be commissioned differently and at this time there would be insufficient time to complete a robust procurement process or undertake any other significant re-design by April 1<sup>st</sup> 2017.

**Background Papers:**

*None*

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: <i>Liz Gough</i>
	Legal: <i>Deborah Eaton</i>
	Equalities: <i>Bashir Khan</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>EMT member who approved submission:</b> <i>Jayne Ludlam</i>
3	<b>Cabinet Member consulted:</b> <i>Jackie Drayton</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	<b>Lead Officer Name:</b> <i>Sam Martin</i>

**Date:** 16<sup>th</sup> August 2016

## **1. PROPOSAL**

- 1.1 It is proposed to extend by 6 months, to 30<sup>th</sup> September 2017, the current contract for commissioned delivery of services for young people by Sheffield Futures. This will ensure the Council meets its statutory duties, and to explore a range of future options for delivery of young people's services across the city. The contract for services provided by Sheffield Futures ends on 31<sup>st</sup> March 2017. Until decisions are made and any changes to the mode of delivery determined, the Council wishes to ensure continuity of current service delivery to young people. Services may be commissioned differently and at this time there would be insufficient time to complete a robust procurement process, or other significant service redesign by April 1<sup>st</sup> 2017. An extension will allow the Council to consult appropriately and make an informed and considered decision about how it wishes to manage the delivery of young people's services in the future.

## **2. HOW DOES THIS DECISION CONTRIBUTE ?**

- 2.1 This decision will ensure that young people living within the city continue to have uninterrupted access to a range of activities and support services, especially those targeted at the most disadvantaged young people.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 We have consulted with the current provider and they have confirmed that they are able to continue providing a service for the duration of the proposed extension period.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality of Opportunity Implications**

- 4.1.1 This is an extension of an existing contract hence there are no new equality implications. An EIA has been drafted.

### **4.2 Financial and Commercial Implications**

- 4.2.1 The costs of extending the current contract detailed above fall within the Council's Youth budget, hence there is no additional or new cost. The proposed contract value for the extension period includes a reduction on the 2016-17 contract value, to take account of financial savings anticipated in the Council's 2017-18 revenue budget.

### **4.3 Legal Implications**

- 4.3.1 The Council has a variety of duties to children and young people including:
- In respect of children aged under 13 adequate facilities for recreation and social and physical training;
  - In respect of children and young people aged 13 - 19 and 20 – 24 if they have a learning difficulty or disability, the provision of sufficient educational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities; and
  - sufficient recreational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities (Education Act 1996);
  - Under the Education and Skills Act 2008 there is a duty to make available to young persons and relevant young adults for whom it is responsible such services as it considers appropriate to encourage, enable or assist the effective participation of those persons in education or training.
  - The Education and Skills Act also placed a duty on 16 and 17 years olds to participate in education or training, and a related duty on local authorities with a view to reducing the number of NEET young people, by promoting the effective participation in education and training of 16 and 17 year olds in the area with a view to ensuring that those persons fulfil the duty to participate in education or training.

Together these duties comprise the offer of a “Youth Service” which is primarily targeted at those with the greatest need.

The legislation and the Department for Education guidance makes it clear that the government’s approach is to give local authorities freedom and flexibility to decide how to fulfil their statutory duties with regards to the provision of these services and may provide them through a third party such as Sheffield Futures.

The decision would allow the Council to continue to meet its statutory duties with regards to provision of youth services across the city.

The Director of Commercial Services and Finance has granted a waiver of the Council’s Contract Standing Orders which enables a decision to be made to extend the contract with Sheffield Futures for a 6 month period without the need to go out to tender.

#### 4.4 Other Implications

##### 4.4.1 *HR Implications*

At present, we are not aware of any HR implications from this proposal,

as current delivery should be maintained. Should any arise, we will seek to mitigate these through further discussion with the provider and will update the EIA as appropriate.

## **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Re-commissioning of services on an open tender was considered however no decision has yet been made about the way that the Council wishes to deliver its services in the next financial year and beyond, and the timeline for managing any change and re-commissioning would be difficult to meet within the timescale to March 31<sup>st</sup> 2017.
- 5.2 The Council could allow the current contract to end without having alternative services in place. This would lead to the Council failing to meet its statutory duties to provide a range of services to young people.
- 5.3 The Council could run an open tender process for the delivery of youth services for a short 6 month contract. However, given the scale of the services under consideration, the costs involved to both the Council and potential providers in running a tender process, and the potential implications to staff and service continuity of short term changes this option has been rejected. It is considered that very few, if any, providers would consider bidding for a contract of such short length.

## **6. REASONS FOR RECOMMENDATIONS**

- 6.1 This proposal provides continuity of service delivery, which is effective, thus ensuring the Council has sufficient time to consider the options available and make its decisions in a timely and considered manner. If this extension is granted a contract variation will be issued with appropriate outcomes and volumes in the different delivery areas that ensure young people's services are not disrupted.