



Author/Lead Officer of Report: Sam Martin,
Head of Commissioning – Vulnerable people
Tel: 0114 2930958

Report of: *Executive Director for People Services*
Report to: *Leader*
Date of Decision: *26-9-18*
Subject: *Young People's Services Review - Extension of Current Contracts*

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? Cllr Jayne Dunn, Lead Cabinet Member for <i>Education, Employment and Skills</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Children, Young People, and Family Support</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>56</i>		
Does the report contain confidential or exempt information?	Yes <input checked="" type="checkbox"/>	No <input 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:-		
"The appendix is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)."		

Purpose of Report:

A review of the commissioning and delivery arrangements for young people's services is underway. In order to allow time to conclude the Leader Review of Young People's Services and the subsequent implementation of the outcomes of the review and any new delivery model this report requests approval for the extension and/or re-procurement of a number of Young People's support services while this review is concluded to ensure continuity of support and provide a legal framework for continued delivery of existing provision up to 30 September 2020 .

Recommendations:

In order to allow time to conclude the Leader Review of Young People's Services and the subsequent implementation of the outcomes of the review and any new delivery model, the Leader is recommended to approve the following actions which will provide a legal framework for continued delivery of existing provision until 30 September 2020 *should this be required*:

1. Approve an extension of the current contract with Sheffield Futures to 30th September 2019;
2. Approve an extension of the current contract with Roundabout for the Supporting Tenants Programme in accordance with its terms to 31st March 2019;
3. To note that should the reviewed services not be approved by executive decision for implementation by the 1st October 2019 then it will be necessary re-procure youth services until the reviewed services can be implemented at a later date;
4. Accordingly approve the procurement strategy (s) of a competitive tender process based on a similar specification as the current contract with Sheffield Futures, as outlined in this report, with a view to a contract being awarded to the successful provider(s) for the period from 1st October 2019 to implementation date This is to provide a legal backstop which will ensure the council continues to secure young people's services beyond September 2019 if a new service delivery model is not in place by that time. If a new strategic service model is in place by September 2019 this option will not be triggered ;
5. To note and endorse a short term re-procurement of housing related support contracts as listed in the Report with a view to a contract(s) being awarded to the successful provider(s) for the period from 1st April 2019 to 30th September 2020 with an appropriate break clause at 30th September 2019 to enable earlier termination in the event that a new service delivery model is ready for implementation;
6. Delegate authority to the Executive Director of People Services, in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance as appropriate to:
 - a. Determine the procurement strategies for the re-procurement of the housing related support contracts outlined in this Report;
 - b. Award the contracts outlined in this report to the providers submitting the best value for money tenders.;
 - c. Take any other action necessary, including extending or breaking contracts in accordance with their terms, as may be required to facilitate the outcomes outlined in this Report.

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

Cabinet Report "Review of Young People's Services" dated 18th July 2018 and the subsequent Cabinet decision of the same date.

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>Paul Jeffries</i>
		Legal: <i>Sarah Bennett</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	EMT member who approved submission:	<i>Jayne Ludlam</i>
3	Cabinet Member consulted:	<i>Jayne Dunn, Lead Cabinet Member for Education, Employment and Skills</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.	
	Lead Officer Name: <i>Sam Martin</i>	Job Title: <i>Head of Commissioning, Vulnerable People</i>
	Date: <i>26th September 2018</i>	

1. PROPOSAL

- 1.1 On 18th July 2018, Cabinet made a decision that the Leader of the Council would conduct a review of the services the Council commissions or delivers that provide support to young people. This review is expected to report back to Cabinet later this year. The review is investigating the feasibility; opportunities and challenges of bringing a range of services that are currently managed and delivered in different ways into a new service model with a view to improving the effectiveness of delivery and improving outcomes for young people.
- 1.2 The services that are in the scope of the review include services the Council has contracts with external providers to deliver. In order to ensure that no break in provision occurs while the review is being completed and any new service model is being implemented and mobilised it is now recommended that those services are extended and/or re-procured. This approach will also allow the end dates for all of the contracts to be aligned so that transition to any new model can be more easily facilitated.
- 1.3 The services covered by these proposals are:

Service Name	Provider
Youth Services	Sheffield Futures
Cherrytree	Cherrytree Support Services Ltd
Depaul Supported Lodgings	Depaul Uk
Sheffield Foyer	Guinness Partnership Ltd.
St Barnabas Road	Roundabout Ltd
Roundabout Supporting Tenants	Roundabout Ltd
Mediation Service	Roundabout Ltd
Peile House	Yorkshire YWCA
Young Womens Housing Project	Young Womens Housing Project
Substance misuse	CGL

- 1.4 It is proposed that all of these contracts with the exception of those for Youth Services and Supporting Tenants, provided by Sheffield Futures and Roundabout respectively are re-tendered immediately with the new contracts being awarded as soon as possible after completion of the procurement process. We anticipate that the contracts would therefore have a start date of 1st April 2019 and an end date of 30th September 2020 with an appropriate break clause at 30th September 2019 to enable earlier termination in the event that a new service delivery model is ready for implementation at that point. The proposals in respect of the Youth

Services contract and that for Supporting Tenants service are covered below.

- 1.5 An end date of 30th September 2020 ensures that there is ample time for the review to be completed and any new service delivery model to be procured and fully mobilised including allowing for any unforeseen delays. However, it is likely that a new strategic service model will be agreed and implemented before that date. It is therefore also proposed that the new contracts will include early break clauses to allow us to move to a new service delivery model earlier should circumstances allow. To allow flexibility it is also recommended that an option (at the Council's sole discretion) to extend is included in each of these contractual arrangements. We anticipate this may not be required but it is prudent to at this point ensure the council has flexibility in the event that unforeseen circumstances lead to a delay in implementation of any new strategic approach.
- 1.6 Re-procuring interim arrangements is considered to be the right approach for all of these contracts to ensure that we are able to allow sufficient time for the review and for whatever procurement and mobilisation timescales might ultimately be required. However, as the Youth Services contract with Sheffield Futures is currently due to expire on 30th September 2018 and the Roundabout Supporting Tenants contract is currently due to expire (unless extended in accordance with its terms) in October 2018 it is proposed that these contracts are extended, and should it be required short term interim re-procurements are commenced. In the case of the Roundabout Supporting Tenants contract it is proposed that this extension would be until 31st March 2019 (this is the last date allowable under the current contract terms) when we believe reprocurement of the replacement service will have been concluded. In the case of the Sheffield Futures contract it is proposed that a 12 month extension is granted to allow time for the re procurement and any required mobilisation/transition phase to take place. This would extend the current contract to 30th September 2019. The new contract would then run from 1st October 2019 to 30th September 2020. As with the other contracts it is proposed that the Supporting Tenants contract will include an early break clause to allow us to move to a new service delivery model earlier should circumstances allow. To allow flexibility it is also recommended that an option (at the Council's sole discretion) to extend is included in both of the re-procured contracts.
- 1.7 It is proposed that the extension to the Sheffield Futures contract would be on similar terms and, largely, the same specification with some minor amendments being agreed to reflect the changing youth services landscape. The interim contract would then be procured on the basis of a similar specification. It is proposed that the procurement would be conducted by way of competitive tender. The aim is, as much as possible, to retain the status quo in terms of service delivery (whilst allowing for operational improvements or adjustments and taking account of resource pressures) until such time as a significantly new strategic model is developed and implemented. This will provide consistency for those in

receipt of these services.

1.8 Commissioning & Procurement Timetable.

The Procurement of this service has a level of complexity, owing to the risk around service transfer and the potential requirement of the market to provide services in a new and innovative manner couple with a differing delivery model. It would be prudent to approach the market on a consultative basis both prior and during a competitive process to ensure the Council achieve the right outcome for citizens.

If the new model is to be in place by the 1st October 2019 it is critical that an executive decision on the model of delivery and subsequent specification is completed at the latest by the 31st March 2019 for the procurement of this new service model to commence on 1st April 2019 and be completed and transitioned on time. This date may be earlier if the complexity of the procurement of new services dictates.

If the Council is not able to complete the development of the specification and new service model and approved by executive decision by 31st March 2019 procurement for a service similar in requirement to the current as outlined in paragraph 1.6 above would commence in order to ensure service continuity.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The services provided through the contracts named in this report help young people who are at risk of not progressing successfully as teenagers and into early adulthood and who are, for example, at risk of falling into crime, substance misuse, or homelessness and long term unemployment. They support young people to address issues such as developing life skills, budgeting, training and employment, drug/alcohol problems and harmful relationships and behaviour. The services delivered by the housing independence contracts develop the independent living skills of vulnerable and homeless young people who are unable to live with their parents and who are dealing with a range of problems, they provide shelter and support for these young people and encourage them to engage with relevant agencies and opportunities.
- 2.2 The provision of these services will assist the Council to discharge its statutory duties in respect of young people who may be considered vulnerable including preventing crime, antisocial behavior and homelessness.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 There has been no specific consultation on the proposals in this report and no statutory requirement to do so in these circumstances. Extending current services and re-procuring identical ones will ensure that the provision to users continues.

3.2 A public consultation on early planning and proposals for the reshaping of youth services was held in June-August 2017 using the Council's CitizenSpace, face to face meetings and workshops and staff consultations. Feedback from this process, which included young service users, has been used to develop options and make initial recommendations. There have been briefings to Councillors, Senior Officers and staff who may be affected by any changes to service structure. Further staff and provider events are planned as part of the review process. The Young people services review will utilise feedback from these events to further inform and refine proposals to be put to Cabinet later this year. The recommendations in this report facilitate the continuation of the process of developing those services in light of that consultation.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 Support given to some of the city's most vulnerable young people in a timely and effective manner, including preventative work, helps to improve their outcomes and the impact on their future life chances will be positive. This decision will ensure that services that provide this support continue until such time as any new service is developed or existing services recommissioned in line with the outcome of the review process. Extending/re-procuring the contracts will benefit this disadvantaged group of young people and will not have any detriment to other people with protected characteristics.

4.2 Financial and Commercial Implications

4.2.1 The estimated cost of extending and/or procuring the contracts, as set out in this Report, are set out in the table below. For information the table also includes the current annual contract values and the likely total costs of continued provision from 1st October 2018 to 30th September 2020.

Service Name	Current Annual Contract Value	Estimated cost of extending/ re-procuring as set out in this Report
Youth Services	£2,790,843	£5,581,686.00
Cherrytree	£314,175.68	£471,263.52
Depaul Supported Lodgings	£30,000.00	£45,000.00
Sheffield Foyer	£237,220.60	£355,830.90
St Barnabas Road	£284,648.00	£426,972.00

Roundabout Supporting Tenants	£229,401.00	£439,685.25
Mediation Service	£25,991.00	£38,986.50
Peile House	£161,492.60	£242,238.90
Young Women's Housing Project	£154,888.00	£232,332.00
Substance misuse/ door 43	£300,000.00	£450,000.00
Totals	£4,528,659.88	£8,283,995.07

4.2.2 Subject to the outcome of the Leader's review of Young People's Services it is possible that a new service model can be recommissioned and implemented before 30th September 2020. New interim contracts will be let with early break clauses in September 2019 to allow the council to move to a new strategic service model sooner if this is achievable. In this scenario the above costs will be reduced.

4.3 Legal Implications

4.3.1 Local Authorities have a number of powers and duties relating to services for young people including a statutory duty under Section 507B (inserted into the Education Act 1996 by section 6 of the Education and Inspections Act 2006) to, so far as reasonably practicable, secure for qualifying young persons in the authority's area access to:

- a) sufficient educational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities; and
- b) sufficient recreational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities.

4.3.2 Local Authorities are under a duty to prevent needs for care and support following implementation of the Care Act 2014. Under sections 2(1)(a) and (b) of the Act the authority must provide or arrange for the provision of services, facilities or resources, or take other steps which it considers will contribute towards preventing or delaying the development by adults in its area of needs for care and support; and to reduce the needs for care and support of adults in its area. Under sections 2(2)(a) and (b) a local authority in performing that duty must have regard to the importance of identifying services, facilities and resources already available in the authority's area and the extent to which the authority could involve or make use of them in performing that duty; and the importance of identifying adults in the authority's area with needs for care and support which are not being met (by the authority or otherwise).

4.3.3 Local Authorities are also under a duty to provide advice and assistance to persons in its area who are homeless or threatened with homelessness or threatened with homelessness and to provide accommodation for persons

in its area who are eligible, homeless and in priority need under Part VII of the Housing Act 1996.

4.3.4 Procurements carried out by the Council must be in accordance with Contracts Standing Orders and the Public Contract Regulations 2015 in addition with due regard to the Council's Ethical Procurement Policy.

4.3.5 Detailed legal advice is contained in Appendix 1.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 An alternative option considered was to extend/re-procure all the contracts so that they had an end date of 30th September 2019. This option has been rejected because, at best, this gives only 11 months to conduct a potentially complex service redesign, commissioning and implementation process. If the process is not completed by that date extensions or re-procurements would then be required at potentially short notice and extra cost.

5.2 An alternative option considered was to allow some, or all, of the contracts to expire, and transfer the service delivery from the current provider to the Council. This option has been rejected because the services are complex (for example including use of buildings the Council does not own), and include a significant range of resources and staff. It is estimated that this option would take many months to implement, and is not a viable short term solution.

6. REASONS FOR RECOMMENDATIONS

6.1 Extending/re-procuring current provision to the end of September 2020 will ensure uninterrupted service for young people and enables the Council to continue to fulfil a number of statutory duties and will allow time to make a strategic decision about the future delivery of young people services. Insufficient time to commission robustly has necessitated a moving back of timelines so that full consideration of options can be made through the review process and robust procedures implemented for commissioning for new or reshaped services..

6.2 If we do not proceed as proposed current services to vulnerable young people may cease to operate and the Council is unlikely to be able to deliver all of these services directly.

6.3 Extending/re-procuring these services allows the Council to continue to meet a number of statutory duties.