

Title of meeting:	Cabinet Member for Children's Social Care
Date of meeting:	18 January 2017
Subject:	Authority to spend in relation to the procurement of an intensive family support service for Portsmouth
Report by:	Director of Children's Services
Wards affected:	All
Key decision:	Yes/No
Full Council decision:	Yes/No

1. Purpose of report

- 1.1. The purpose of this report is to secure authority to spend from the Cabinet Member for Children's Social Care in relation to the procurement of a new intensive family support service.
- 1.2. An urgent decision is required ahead of the next scheduled Portfolio Meeting due to the procurement timetable necessary to ensure service continuity (the current contract ending on 1 July 2017), which depends on the contract being let no later than the beginning of April 2017 if the council is to meet its commitment to allow the successful provider as close to a three-month mobilisation period as possible (as per the Portsmouth Compact).

2. Recommendations

- 2.1. The Cabinet Member is recommended to give authority to spend up to the maximum contract value proposed for the procurement of a new intensive family support service.**

3. Background

- 3.1. Intensive family support for families in Portsmouth is currently provided by Barnardo's via its Family Intervention Project (FIP). The contract was let in 2012 for three years with the option to extend for a further two years. The option to extend was exercised in 2014 (taking the contract end date to 1 July 2017) and expanded by £120,000 p.a. in 2015 to allow service capacity to be increased by twenty four families (three additional keyworkers with a caseload of eight families each at any one time).
- 3.2. The service co-located with Children's Social Care, the Public Health Delivery Team, Children's Centre staff, health visiting and school nursing to create three locality-based Multi-Agency Teams (MATs) in June 2016.
- 3.3. Having achieved co-location of services, it was always intended for the Multi-Agency Teams to move into a second phase that would seek to rationalise complicated budget, commissioning and management arrangements to address areas that need

strengthening (particularly targeted early help of the sort delivered by Barnardo's FIP); and influence wider aspects of the children and families system such as schools' pastoral workforce and the voluntary and community sector.

- 3.4. This second phase of the MATs project was rolled into the wider Stronger Futures transformation programme and the approach to creating better integrated and sustainable services for children and families was the subject of a report ('Key future approaches for children's services') taken to Cabinet on 22 September 2016.
- 3.5. A key recommendation of this report was that over the period October - December 2016 the Cabinet Members for Adult Social Care & Public Health and Children's Social Care be authorised to review and agree the provider model and procurement process as appropriate for a refreshed integrated Portsmouth City Council early intervention offer bringing together existing Voluntary & Community Sector (VCS) contracts, Children's Centres and Public Health delivery.
- 3.6. Cabinet having accepted the report's recommendations, the review commenced and the responsible Cabinet Members subsequently agreed that the delivery of intensive family support would continue to be outsourced, but within an integrated management framework that would see the provider's workforce managed by council-employed managers.
- 3.7. A market consultation exercise was undertaken, to which nine providers responded, all of whom were broadly supportive of the proposed integrated management framework, citing examples of their experience of working in this way.
- 3.8. A tender specification has been drafted and is at Appendix A.
- 3.9. The service will be funded entirely by Troubled Families grant funding. The total maximum grant funding for Portsmouth during Phase 2 of the programme amounts to £4.5M, as shown in Table 1. Of this, £3.4M (77%) is dependent on attaching and claiming for all 1,900 families the city is committed to working with. The proposal within this report is not dependent on receiving the 'payment by results' income.

Table 1: Troubled Families grant funding

Funding type	No. of families	£ per family	Amount (£)
Attachment fees	1,900	£1,000	£1,900,000
Payment by Results	1,900	£800	£1,520,000
Service Transformation Grant			£1,025,000
Total			£4,445,000

- 3.10. Spend on the Troubled Families programme (including the new intensive family support service to be procured) is based on securing all £1.9M in attachments fees and the £24K of income from Payment by Results already secured as at 31 December 2016, plus the Service Transformation Grant.
- 3.11. As at 31 December 2016, 595 families have been attached to the Troubled Families programme. Having started Phase 2 of the programme on 1 January 2015, the rate of attachment is 25 families per month. If all 1,900 families are to be attached by 31 March 2020, this rate must increase to at least 34 families per month (to avoid a

shortfall of 338 families that would result from a continuation of the current rate). Work is in train to increase the rate of attachment and on this basis, the risk of failing to attach all 1,900 families has been judged to be low.

3.12. The proposed budget for the procurement of a new intensive family support service is therefore £943,000 over the period 2 July 2017 to 1 July 2020, as per the schedule in Table 2 below.

Table 2: Intensive Family Support Service contract value (£)

	2017/18	2018/19	2019/20	2020/21	Total
Annual contract value	£322,646	£342,519	£227,957	£49,878	£943,000

3.13. The tender specifies that the minimum number of families worked with by the service over the duration of the contract is 605 (£1,559 per family). The other 700 families required to meet the city's commitment to attach a total of 1,900 families will be worked with by the wider children and families workforce e.g. Children's Social Care, Children's Centres, health visiting, Public Health Delivery Team, schools' pastoral workforce etc.

4. Reasons for recommendations

4.1. The Cabinet Member for Children's Social Care is recommended to give authority to spend up to £943,000 for the procurement of an intensive family support service for the following reasons:

- 4.1.1. Continuing to outsource delivery of an intensive family support service, as previously decided by Cabinet Members, is dependent on securing the authority to spend required by the council's procurement process.
- 4.1.2. The proposed contract value for which authority to spend is sought balances the need for the successful provider to have a realistic budget with which to deliver the required service with the need to minimise the risk attendant on funding such a contract using income from a Central Government grant to which conditions are attached (and is not, therefore, guaranteed).
- 4.1.3. Cabinet Members' previous decision to continue to outsource delivery of an intensive family service (which is dependent on securing the necessary authority to spend) is Compact-compliant and upholds the council's commitment to work in partnership with Voluntary & Community Sector organisations.

5. Equality impact assessment

- 5.1. A preliminary Equality Impact Assessment has been completed.
- 5.2. The need for a full EIA is not anticipated because the proposed service will not have a negative impact on any of the protected characteristics; indeed, it is geared to improve outcomes for children and families, particularly those experiencing disadvantage.

6. Legal implications

- 6.1. By virtue of the Scheme of Delegations to Individual Portfolio Holders contained in Appendix A to Part 3 of the Council's Constitution, the Cabinet Member for Children's Social Care has the power to authorise the proposed spend in relation to the proposed procurement of a new intensive family support service.
- 6.2. The proposed contract falls within the definition of a high value contract in accordance with the Council's Contract Procedure Rules; therefore, the Council needs to ensure compliance with the appropriate internal procurement Gateway process.
- 6.3. As the proposed contract exceeds the relevant EU threshold for light-touch regime services, it must be let in accordance with the Public Contracts Regulations 2015 and the associated government guidance.

7. Director of Finance's comments

- 7.1. The proposal within this report is to procure the provision of an Intensive Family Support service for families in Portsmouth, in order to deliver activity related to the Troubled Families programme. This Intensive Family Support service will work alongside other staff within Council such as Health Visitors, Public Health Delivery Team and Social Care, in order to attach and support the target number families.
- 7.2. The main funding for the Troubled Families programme is received through the payment of attachment fees and results payments. The proposals with this report are based on the assumption that the Council will attach its target of 1,900 families and therefore receive all of the attachment fee income of £1.9m for the 5 year period up to 2019-20. However, no income has been assumed in relation to the results payments for the next three years. The report highlights the need to increase the monthly rate of attachment to 34 families per month in order to avoid the shortfall of 338 families highlighted within the report; which could amount to an overall funding shortfall of £338,000. If a funding shortfall should arise, it will be necessary to either redirect funding from other areas of the portfolio or cease the provision of the service in order to meet the funding shortfall.

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Signed by:

Appendices:

Appendix A - EXEMPT: Draft tender specification for the provision of an intensive family support service

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
N/A	

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: