

Contracts & Commissioning Board (CCB)

Contract Variation Report

Date of meeting	16/2/23
By	Richard Wilson, Commissioning and Contracts Manager
Title	Supervised Contact Service
Project Sponsor	Kerry Crichlow, Director for Quality, Commissioning and Performance
Executive Director	Debbie Jones, Corporate Director for Children, Young People and Education
Lead Member	Maria Gatland, Lead member for Children, Families and Education
Key Decision	CCB1492/19-20

1. Recommendations

FOR CCB

The Contracts and Commissioning Board (CCB) is requested to approve the recommendations in this report to the Executive Mayor:

FOR EM

The Executive Mayor is recommended by CCB to:

- a) Approve the permitted extension to deliver Supervised Contact to the provider, Swanstaff Recruitment Ltd until the 31st October 2023 at a total cost of £536,000 for an aggregate contract value of £2,669,000.
- b) Note that the service has continued into the permitted extension period from November 2022 without appropriate governance approval

2. Background & strategic context

2.1 Executive Summary

2.1.1 Supervised Contact is a statutory service where a child or young person has accommodated by the local authority and a need has been identified for a child or young person to have contact with their birth parents and other relatives. The Children's Act 1989 emphasizes the responsibility of the Local Authority:

- to safeguard and promote the welfare and upbringing of children and young people within their area by their families (Section 17)
- to allow reasonable contact between a child in care of the Local Authority and their families (Section 34)

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

2.1.2 Supervised Contact ensures the physical and emotional safety of a child. It also aims to assist in building and sustaining positive relationships between a child and their parents or other relatives. This is carried out by supervisors who are trained to intervene immediately and firmly, if necessary and work professional in a planned way with vulnerable children/young people and their parents/other relatives.

2.1.3 Following a competitive tender process, two separate contracts (as shown below) was awarded to Swanstaff Recruitment Ltd on 1st November 2019 for a period of 3 years, with an option to extend for a further 12 months:

- Lot 1: Supervised Contact: North Croydon
- Lot 2: Supervised Contact: South and Central Croydon

The proposed permitted 12-month extension will ensure service continuity of the Supervised Contact Service while the Council explores the best options relating to the delivery of the service from 1st November 2023.

2.1.4 The purpose of this report is to:

- a) Seek the permitted extension for a further 12 months at a £536k within the awarded contract value. The service has continued from November 2022 whilst being out of contract. We are seeking an extension from the date of approval of this report and not retrospectively.

2.2 Summary of Background

2.2.1 The Council awarded two separate contracts to Swanstaff Recruitment Ltd for a term of 3 years commencing from the 1st November 2019, with a permitted option to extend the contract for a further 12 months up until the 31st October 2023. This provision was for provision of Supervised Contact Centres in Croydon enabling:

- A positive experience for families and families' feedback to be collected and collated,
- Children and young people being kept safe through Supervised Contact.
- Good quality reports that help to inform care planning and decisions.

2.2.2 The service works in partnership with the Council, families, children and young people and other agencies that contribute the delivery of a high-quality Supervised Contact service, to deliver this service for Croydon looked after children and children in need. Swanstaff Recruitment Ltd provides:

- A trained and high-quality workforce to meet the service need and provide written and verbal reports and deliver face to face contact
- A primary contact centre venue
- Capacity to organise transport, where required, for children and young people to and from the contact venue, or venues.

2.2.3 This service was procured as two separate contracts and each contract being relevant to two areas of delivery, North Croydon and South and Central Croydon. Swanstaff Recruitment Ltd are required to deliver a minimum number of centres based and community-based hours for each Lot as set out in 2.3.

2.2.4 Swanstaff Recruitment Ltd have extensive experience in the delivery of a Supervised Contact Service for children in care and their families and have to date delivered a suitable service as set out within the contract and service specification save for managed corrective actions.

2.2.5 Work began on this report in June 2022 and has unfortunately not run to the timescales the service was expecting. Due to a number of changes in process, informed by necessary changes in governance, it has meant this report has needed to be redrafted a number of times to reflect the changing priorities throughout its lifecycle. This built in several months of delay up until September, when the requirement for KPIs to be submitted was also made clear. While these are collated quarterly, due to staff changes during the life of the contract we had to go back to the provider to quantify and clarify these KPIs for the whole contract period and ensure that they reconciled across the three years. This took time to resolve alongside other duties, and took us to December, when Stage 2 sign offs took place - due to corporate pressures around a number of reports that were being presented at different boards, and also internal pressures (with this report being one of four due for CCB at a similar time) these sign offs took around two months to complete, taking us to January.

2.3 Current Service

2.3.1 Service Aims

The service aims to ensure that there is sufficient provision of Supervised Contact to meet the Council's duties in accordance with statutory requirements and local need. Service aims for each Lot is set out below:

Lot	Location for Centre-Based Services	Service Levels
Supervised Contact		
Lot 1	North Croydon	- Minimum guarantee of 5000 hours of supervised contact, of which a minimum of 3,500 hours will be centre based, and the remainder community based. - Provision for up to 4,000 additional hours of supervised contact.
Lot 2	Central/South Croydon	- Minimum guarantee of 5000 hours of supervised contact, of which a minimum of 3,500 hours will be centre based, and the remainder community based. - Provision for up to 4,000 additional hours of supervised contact.

2.3.2 Performance of the contract

- a) During this contract, the provider has performed well in meeting the outcomes set out for this service. This included achievement in the following outcomes:
- Supervised contact is a positive experience for families and families' feedback is collected and collated.
 - Children and young people are kept safe through supervised contact.
 - Supervised contact reports inform care planning processes and decisions.
 - A minimum of 75% children and parent/carers report that contact is a positive experience including that staff are polite, courteous and respectful.
 - A minimum of 75% of all users of the service report that the venue is clean, well maintained and is well-resourced for children and young people of all ages.
 - 100% of Contact reports are of a high quality and will inform care planning processes and decisions.
 - 100% of supervised contact always starts punctually.
 - 100% of supervised contact is delivered as per court request (likely to be within 24 hours of referral), where the Provider has capacity at point of referral.
 - 100% supervised contact reports are sent to the social worker within 3 days (72 hours) of contact taking place.
 - 100% responses to emails / phone calls on same day.
 - 0% instances of drivers being late for collection or drop off, except in mitigating circumstances.
 - Fewer than 1% cancellations by provider of contact sessions.
 - 100% of families are provided with a contact agreement prior to contact services commencing.
 - A minimum of 75% returns of customer feedback provided to the Council each quarter.
- b) A full breakdown for KPIs from the commencement of this contract is set out in **Appendix 1** below.
- c) The Council have recently note areas where improvements which include the cancellation of contact sessions and transportation issues. A robust plan has been put in place and some improvements have been achieved. However, there are some outstanding actions which is being actively reviewed and worked on with the provider and the service.
- d) While this service is out of contract regular fortnightly meetings led by the service is in place to reassure

that the requisite operational performance standards are being maintained. Site visits and compliance activities are also being undertaken to verify that the property and practice standards as set out within the contracts are being achieved.

3 Financial implications

Details	Internal		Period of funding	External		Period of funding
	Capital	Revenue		Capital	Revenue	
Cost of original contract – Year 1		£711k	1 st November 2019 to 31 st October 2020 (12 months)			
Cost of original contract – Year 2		£711k	1 st November 2020 to 31 st October 2021 (12 months)			
Cost of original contract – Year 3		£711k	1 st November 2021 to 31 st October 2022 (12 months)			
Cost of variation – permitted option to extend for a further 12 months		£536k	1 st November 2022 to 31 st October 2023 (12 months)			
Aggregated value		£2,669,000	1 st November 2019 to 31 st October 2023 (48 months)			

3.1 The total value of the permitted contract extension is £536,000 for a further period of 12 months commencing from 1st November 2022 which will represent a reduction to the budget. The service has continued from November 2022 whilst being out of governance approval. We are seeking an extension from the date of CCB approval and not retrospectively.

3.2 The aggregated value of the contract will be £2,669,000.

3.3 Essential spend criteria

In accordance with the S115(6A) Local Government Finance Act 1988 grounds for ‘new’ expenditure, this project falls under the following criteria. The chief finance officer may only give authority for the purposes of subsection (6) above if he considers that the agreement concerned is likely to:

a) prevent the situation that led them to make the report from getting worse,

4. Supporting information

4.1 Reasons for Recommendation

4.1.1 The reason for our recommendations are set below:

- Swanstaff Recruitment Ltd has demonstrated through service delivery, meetings, performance reviews and quarterly reporting to be a strong provider who are performing well and continue to be strategically relevant. This has been reinforced by the service and stakeholder feedback.
- With the Supervised Contact Service contract performing well, this enables the Council to explore the best commissioning options relating to the delivery of this service 1st November 2023. As part of this exploration, engagement and consultation activities will continue to be undertaken out with young people, hosts and the service to best determine improvements and efficiencies.

4.2 Proposed extension value & term

4.2.1 As stated above, the request is to approve the extension of the 'Supervised Contact Service' contracts originally awarded to Swanstaff Recruitment Ltd for a period of 3 years with an option to extend for a further 12 months. The extension requested is until 31st October 2023 at a cost of £536,000. This figure includes costs attributable from November 2022 when the services were still being provided. The maximum aggregated contract value will be £2,669,000.

4.3 Options Considered and recommended option:

4.3.1 Option 1 (recommended) – Extend the contract with the incumbent provider for 12 months via a permitted contract extension

- This is the recommended option which will allow for the continuation of the service, and a period of time while the council explores the best commissioning options relating re-aligning services to better meet the needs of Croydon residents from 1st November 2023.
- The provider is operating to a good standard and the Provider is meeting all performance indicators

4.3.2 Option 2 (not recommended) – Do Nothing

- The current contract will come to an end, (on giving three months' notice) and there will be provision for families to access. Spot purchase arrangements will be required to meet statutory obligations. This spot purchase is likely to be at a higher cost.

4.4 Consultation

4.4.1 The Contracts and Commissioning Manager is responsible for this contract and has engaged with the service to ensure that their real tangible evidence which enable the Council to understand the experiences of families in respect of this service and improvements going forward.

4.4.2 Going forward and the need to place children at the centre, there is an opportunity for there to be appropriate representation to ensure that their views and wishes are reflected within tenders and performance review throughout the contract lifecycle.

4.4.3 The engagement and consultation with all key stakeholders to help inform service delivery improvements which will be implemented during the proposed extension period.

4.4.4 Further engagement and consultation with appropriate stakeholders will be undertaken to help inform the best delivery option from 1st November 2023.

4.4.1 The current service provider, Swanstaff Recruitment Ltd has been consulted and they are agreeable to the extension.

4.5 Risks

4.5.1 The following risks have been identified and are being actively managed within the service:

Risk	Mitigation
Risks to service delivery	<p>The current timelines enable the service to be maintained after the 1st November however some delays may arise.</p> <p>This contract has continued from November 2022 whilst being out of contract. We seek approval of the permitted extension of this contract and need to pay this provider to ensure service continuity until approval is granted.</p>

Risk that the services do not deliver	The contract is monitored with standards, targets and performance indicators that should mitigate against non-delivery. Performance will continue to be monitored during the extension period and the potential exit process. Managing relationships with the existing provider via the contract management regular contract and transition meetings and involve senior management team as and when required. A robust improvement plan will also be implemented to ensure that services are delivered.
Slippage in timescales, leading to a further extension being required	There is an identified officer who will oversee the re-procurement of the services required to meet the needs of these young people. This will be managed within the Children, Families and Education Integrated Commissioning Team.
Financial risk of overspend from usage of spot purchase contract	By ensuring we are working with service colleagues to effectively project contact levels, we are anticipating this is mitigated to an extent. Levels of contact are already carefully managed by the Access to Resources Panel, and it is ensured that blocks commissioned are effectively utilised.

4.6 Reference to Regulation 72 PCR analysis and any risk of challenge

4.6.1 The proposed extension comes under regulation 72(1)(a). Thus, the contract may be modified without a new procurement procedure where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise, and unequivocal review clauses. In respect of this contract, they was a competitive process last year, and the overall value sits well under the Contracts Finder limits and under the Light Touch Regime – as the service is a social care service.

4.7 GDPR Compliance

4.7.1 Swanstaff Recruitment Ltd is required by the contract issued to ensure that their practices are in line with safeguarding and data protection/GDPR compliance. Their practice so far has provided no data breaches and has been compliant in this regard.

4.8 London Living Wage

4.8.1 Swanstaff Recruitment Ltd's contract meets London Living Wage requirements; this commitment would be maintained in line with the Council's policy on London Living Wage.

4.9 Future Commissioning Plan and Timescales

4.9.1 As stated above, the recommended option to extension this contract for a period of 12 month would allow for the continuation of the service, and a period while the council explores the best delivery options relating re-aligning services to better meet the needs of Croydon residents.

4.9.2 As part of this options appraisal, there will be a period to assess whether an in-house provision is feasible.

4.9.3 The table below provides an indicative timetable on the activities (relating to re-tendering the service) to be undertaken during the proposed extension period:

Activity	Proposed Completion Date
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Understand the service based around need, consultation and benchmarking	February 2023
Explore and agree best commissioning option	February 2023
Pre-tender market engagement	March 2023
CCB – RP2	March/April 2022
Market engagement and consultation	April 2023
Specification and Procurement Documents finalised	May 2023
Publish Notices (4 Weeks)	June 2023
Tender return deadline	July 2023
Evaluation	July 2023
CCB – RP3	August 2023
Contract award	September 2023
Contract commencement	November 2023

5. Conclusion and reasons for recommendations

5.1 To approve the permitted extension to deliver Supervised Contact to the provider, Swanstaff Recruitment Ltd, for a period of 12 further months until the 31st October 2023 at a total cost of £536,000 for an aggregate contract value of £2,669,000. The service has continued from November 2022 whilst being out of governance approval. We are seeking an extension from the date of CCB approval and not retrospectively.

5.2 The extension period will enable continuity which is vital service while the Council explores the best options relating to the delivery of this service from 1st November 2023.

5 Outcome and approvals

CCB outcome	Date agreed	
Agreed - PB-2223-000015-EV from 01/03/2023	Service Director <i>(to confirm Executive Director has approved)</i>	31/1/23
	Cabinet Member for Finance & Resources	27/2/23
	Finance	Maiyani Henry-Hercules 12/12/2022
	Legal	Sonia Likhari 20.1.2023
	Lead Member <i>(for values over £500k, +25% contract value or +£1m)</i>	9/2/23
	CCB	1/3/23

6 Comments of the Council Solicitor

The Executive Mayor has the power to exercise executive functions pursuant to s9E of the Local Government Act 2000 and has the power to delegate those functions.

At present the delegations in the Council's Tenders and Contracts Regulations have been superseded by the Executive Mayor's Scheme of Delegation following the introduction of the Mayoral Model.

The Council is under a duty to comply with the Public Contracts Regulations 2015 (PCR). The report states that the contract was advertised and awarded with the option to extend for twelve months. The exercise of said option is therefore compliant with PCR.

The Council is also under a general Duty of Best Value to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007)).

Approved by Kiri Bailey, Head of Commercial and Property Law, on behalf of the Director of Legal Services

7 Chief Finance Officer comments on the financial implications

Approved by Maiyani Henry-Hercules on behalf of the Chief Finance Officer

Appendix 1

Key Performance Indicators



Supervised Contact
Service - KPIs from 20