

From: Matt Dunkley CBE, Corporate Director of Children, Young People and Education

To: Sue Chandler, Cabinet Member for Integrated Children's Services

Subject: Decision: 21/00086 Commissioned Open Access Provision for Youth Services and Children's Centres

Key decision Overall service value exceeds £1m and affects more than two Electoral Divisions.

Classification: Unrestricted

Past Pathway of report: N/A

Future Pathway of report: Cabinet member Decision

Electoral Division: All

Summary: This report provides the Cabinet Member for Integrated Children's Services with the background and rationale of the proposal to directly award contracts for Youth Services and Commissioned Children's Centres.

In addition to the Council's in-house offer, Kent County Council commissions seven providers to deliver Youth Services across the county and two providers of Children's Centres. A Forthcoming Executive Decision has been published to directly award the contracts under the same terms and conditions, effectively extending the duration of these contracts to 31 March 2023. This will allow the development of fit-for-purpose specifications as a result of the Reset and Recovery plans of the Council from Covid-19.

Recommendation(s):

The Cabinet Member for Children, Young People and Education is asked to APPROVE the proposed decision to:

A) Directly award contracts to the seven providers to deliver Youth Services across the county and two providers of Commissioned Children's Centres

and

B) Delegate authority to the Corporate Director Children, Young People and Education, or other appropriate Officer to implement the decision.

1. Introduction

- 1.1. Contracts with Youth Providers were awarded in 2016 and expire at the end of November 2021. There is no allowance in the contract to extend the contract for a further duration.
- 1.2. The consultation on the 2022/2023 Budget was published in July 2021. This detailed feedback received on the budget consultation for 2021/2022. The consultation asked for views on doing things differently. There was significant support for the following activities:
 - Reducing the number of our buildings (77.6% agreed)
 - Delivering more than one service from our buildings (91.7% agreed)
 - Delivering more services using online technology (73.8% agreed)
- 1.3. Work commenced in early 2021 to develop procurement plans for these services, however the impact of the statements published in the budget consultation were of significance for us to revisit our intentions in light of the Council's Recovery Programme and the County-wide commitment to the Reconnect Programme.
- 1.4. The budget consultation outcome states that the use of our Estate will a focus of the Strategic Reset Programme with any financial benefits identified will be aligned to budget development. The findings of the Programme will inform future commissioning intentions alongside the in-house Open Access Offer.
- 1.5. Both contracts would be awarded by way of Direct Award. For Youth Services, this would be due to reasons of extreme urgency (reg. 32(2)(c)) and/ or by way of permitted modifications under Regulations 72(1)(e) and (8) and under Regulation 72(1)(c). For Children's Centres this would be by way of permitted modifications under Regulations 72(1)(e) and (8) and under Regulation 72(1)(c).
- 1.6. The Direct Award will be for a period of 16 months for the Youth Services and one year for commissioned Children's Centres. As Children's Centres are a critical part of the Open Access Offer, it is proposed that the contracts are further directly awarded for a further year to bring the end dates in line and provide the opportunity to develop meaningful specifications as required.

2. Current Provision

- 2.1. The table below demonstrates the contracts currently in place:

Supplier	Location	Current Contract Start Date	Current Contract end date	Extension Duration	Contract Cost (per annum)
Canterbury Academy	Ashford	Aug-18	Nov-21	16 Months (to Mar-23)	£ 96,000.00
	Canterbury	Dec-16			£ 109,331.00
Optivo	Swale	Dec-16			£ 133,950.00
Pie Factory	Dover	Dec-16			£ 99,980.00
	Thanet	Dec-16			£ 139,948.00
Play Place	Dartford	Dec-16			£ 87,990.00
Salus	Folkestone & Hythe	Dec-16			£ 86,700.00
	Tonbridge & Malling	Aug-18			£ 83,000.00
	Tunbridge wells	Aug-18			£ 76,000.00
	Maidstone	Dec-16			£ 91,700.00
The Grand	Gravesham	Dec-16	£ 100,000.00		
West Kent Extra	Sevenoaks	Dec-16	£ 75,000.00		
Millmead Children's Centre Partnership Ltd	Thanet	Apr-18 (Direct Award Apr-21)	Mar-21 (Mar-22)	12 Months (to Mar-23)	£220,667.00
Children and Families Children's Centres Ltd	Swale	Apr-18 (Direct Award Apr-21)	Mar-21 (Mar-22)		£204,302.18
Total OA Contract Spend					£ 6,322,964.18
Direct Award Cost					£ 1,997,767.85

- 2.2. The geographical areas covered by the commissioned Youth Services are allocated by Integrated Children's Services (ICS) Youth Hub Delivery Managers and often focus on our most rural and/or our most deprived areas in Kent, which is one of the reasons the additional value they add is so intrinsically important to the communities they serve.
- 2.3. Providers have worked with commissioners through contract management approaches to demonstrate how they have developed projects and generated other funding streams to assist their core offer. These innovations have increased their added social value.

- 2.4. The Lower Super Output Areas (LSOA) served by the commissioned Children's Centres (Millmead and Seashells) are in two of the most deprived areas in Kent, and indeed the country. Deprivation data from 2019 shows that one of the LSOA's within Sheerness, served by Seashells, is 48th out of 32,844 LSOA's nationally – within the top 0.2 % of most deprived LSOA's in any part of the country. Similarly, one of the LSOA's within the Dane Valley Ward - served by Millmead – is the 8th most deprived within Kent and the 423rd nationally, within the top 1.3% of most deprived LSOA's nationally.

3. Reconnect and Containment Outbreak Management Fund (COMF):

- 3.1 The Reconnect Programme is working to get Kent's children and young people back to enjoying activities and opportunities they took part in before Covid-19. This has included working with a variety of providers across the county to initiate programmes of work that commenced during the summer holidays and will continue throughout the next 11 months.
- 3.2 The commissioned Youth Providers and Children's Centres were ideally placed to access the first round of funding to bring a large amount of additionality to the wider Open Access offer. This has included but not limited to:
- Summer Programme with Dartford Football Club
 - Archery, Canoeing, Sports Coaching, Go Karting, Woodland Crafts
 - Residential and camping trips across Kent
 - Enhanced outreach offer in urban and rural areas countywide
 - Community Fun Days
- 3.3 If contracts were to end without a clear continuation of provision, the Local Authority would not be able to maximise the developed networks already in place to bring a rich offer of extended provision in the Summer of 2022.
- 3.4 The COMF funding that was made available in the early part of 2021 by Public Health has enabled providers to maintain levels of open access provision in a Covid-19 secure environment. This has included the addition of items to maximise provision of smaller groups in higher multiples. There has also been the ability to purchase items that will support detached provision in adverse weather conditions.
- 3.5 Whilst the requirement was for organisations to use the funding specifically to support the containment of Covid-19, providers have used the opportunity to ensure that any items purchased support sustainability of provision. It is vital that we maximise this spend to its full potential and enable providers to further test out 'pop-up' detached provision which could work to form part of future specifications.

4 Other Considerations

- 4.1 The current providers of the youth services have been in contract with KCC to deliver an aspect of open access provision for in excess of ten years. Commissioners have worked extensively with the wider market since 2012 to understand the landscape of providers and both capability and capacity to provide a district-wide offer.

- 4.2 Since the last major procurement in 2016 of these contracts, the provider landscape in Kent has not changed dramatically and there are no new providers entering the market that have the capability of delivering a district wide offer.
- 4.3 The Children's Centre procurement process in 2018 had only two providers that were able to deliver in the geographical areas required. This has not changed in the last three years and as such, there would be no advantage in developing a new procurement process to assess the same providers against an unchanged market.
- 4.4 For any provider coming into the market there would be challenges relating to buildings, access, and reputation. It is therefore considered that with the time constraints in place, it would not be impossible for a new provider to come in and offer a service without there being a sizable gap in provision whilst they mobilised.
- 4.5 The Direct Award is proposed to set contracts on the same terms and conditions to the end of March 2023. Any new provision would not be mobilised in time for the contract to end. The potential TUPE requirements for a procurement will further limit the timeframe

5 Financial Implications

- 5.1 This service will be funded from within the existing revenue KCC base budget reported against the Early Help and Preventative Services Key Service in the Budget Book.
- 5.2 The funding available is £1,364,340 per annum. This equates to £1,997,768 over the term of the Direct Award.
- 5.3 Future financial pressures are expected to be limited to pay inflation.
- 5.4 Due to the size and nature of the contract no direct financial savings have been identified in relation to this proposal.
- 5.5 Financial risks associated with this proposal are expected to be low: potential costs will be managed through the tender process and ongoing contract management for the commissioned service.

6 Legal implications

- 6.1 Known as the Youth Services Duty, Local Authorities have a statutory duty to "secure, so far as is reasonably practicable, sufficient provision of educational and recreational leisure-time activities for young people."
- 6.2 An implication of this approach is that the council is operating outside of Spending the Council's Money in that the contracts should have been the subject of being competitively tendered.
- 6.3 The risk has been mitigated through knowledge of the market and whether there are other organisations that could deliver the services at scale and pace at a time where the Country is recovering from Covid-19. Legal advice has also

been received on this approach and satisfies the requirements as set out in Public Contracts Regulations 2015 (PCR 2015) clause 72(1)(e) and clause 72(8) which permits modifications to contracts so long as not materially different.

- 6.4 In addition, Covid-19 has altered many aspects of everyday life. Clause 32(2)(c) of PCR 2015 states that an extension can be granted to a contract if there are circumstances which could not have been foreseen, reasons of extreme urgency and modification does not alter overall nature of the contract.

7 Equalities implications

- 7.1 If the recommendation to issue a Direct Award without a gap in provision is agreed, none of the protected characteristics would be adversely impacted. Equality Impact Assessment screening has been completed and found a full action plan was not required. This will continue to be developed and reviewed as commissioning activity progresses.

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8 Governance

- 8.1 Accountability of the service sits with the Corporate Director for Children, Young People and Education. Responsibility sits with the Director for Integrated Children's Services (West).

9 Conclusions

- 9.1 For reasons stated above, approving this action will:

- Continue the provision of support at a critical point for Children Families and Young People.
- Extend well performing contracts to enable the maintenance of open access services provision.
- Maintain levels of support for the local community, particularly in rural communities and/or areas with high levels of deprivation.
- Strengthen levels of engagement following the additional funding provided by both Reconnect and COMF.
- Give stability to providers ensuring the continuation of additional social value that extends beyond catchment areas.
- Continuation of the virtual offer which providers have worked together to produce and is offered across the county.
- Support the Voluntary Sector Recovery Cell and the Children and Young People's Recovery Cell in the recognition that the Voluntary Sector are in a period of Recovery and Reset

10 Recommendation(s):

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11 Background Documents

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