

Appendix B

Report



Cabinet Member for Communities & Resources

Part 1

Date: 16 May 2018

Subject Families First Programme

Purpose To seek the Cabinet Member's approval to waive Contract Standing Orders to extend for a period of one year, until 31st March 2019, existing Families First contracts granted to external consortia as the provision of extensions within the contract terms have been exhausted.

Reason For Urgency

In October 2017 Newport discovered it was to become an early adopter of Welsh Government's new grant funding initiative Flexible Funding from the 1st April 2018. However little information was made available on how this new fund was to operate and the recommissioning of Families First, which was already in progress, was put on hold until a fuller understanding of how the funding would impact the service was understood. The current Families First contracts are due to expire on the 31st March 2018 and as all extensions within the existing contract terms have been exhausted it is being requested that Contract Standing Orders be waived so an extension for a further year can be granted. This extension will allow a further review of the programme in accordance with the Flexible Funding guidance and result in either recommissioning services or commissioning new services from the 1st April 2019.

If urgent approval is not given to a waiver of Contract Standing Orders, current services will not be in place for the start of the new financial year and vulnerable families already receiving the services will be left without support. There is also a risk that all the money for 2018- 2019 available under the Families First grant (within the Flexible Funding allocation) will not be spent in line with the spending profile and this could result in ultimately losing money from the overall programme.

Author Families First Programme Manager

Ward All

Summary This report proposes that the contracts for the strands named below are extended until 31st March 2019. This extension is outside of the contract terms and is not in compliance with Contract Standing Orders but will allow the Council to implement the flexible funding arrangements for Families First as these become clearer over the next year. This would also allow a review of the Programme to take place under these arrangements which would lead to commissioning/decommissioning of Families First services as required within the city.

As all of the extensions to the external contracts permitted within Contract Standing Orders have been exhausted a Cabinet Member decision will be required to waive Contract Standing Orders for this proposed extension. The values of the individual

Families First contracts are below the OJEU 'Light Touch Regime for Social and other specific services (Regulation 74) threshold of £615K so there is no legal requirement for the Council to tender them in accordance with the Public Procurement Regulations Act 2015 and therefore we are seeking approval to extend them for a further year.

Proposal **To approve the waiving of Contract Standing Orders to extend the Families First contracts with the organisations named below until March 31st 2019.**

To take this decision urgently as it is so urgent that it cannot go through the Council's agreed consultation process and/or must be implemented immediately and therefore not subject to the Council's call in procedures for the reasons set out under 'Reasons for Urgency' above."

Contact Sue O'Brian

Action by Head of Regeneration, Investment and Housing

Timetable To be in place by 1st April 2018

This report was prepared after consultation with:

- Strategic Director - Place
- Head of Law and Regulation – Monitoring Officer
- Head of Finance – Chief Finance Officer
- Head of People and Business Change
- Head of Regeneration, Investment and Housing
- Audit Manager
- Category Manager – Finance
- Community Regeneration Manager

Signed

Background

Newport has been in the receipt of the Families First Grant from Welsh Government since 2011. The current programme was put in place in 2012, the total budget for 2017/18 was £2,428,374.00 with external contracts as listed below amounting to £1,233,548.00. A list of the external contracts are detailed below:-

Strand (or Project)	Lead Organisation
Family Health and Wellbeing:	Newport Live
Confident and Nurturing Families:	Barnardos
Newport Parent Network:	GAVO
Income Maximisation (Disability Strand):	CAB
Young Carers (Disability Strand):	Barnardos
Serennu Play and Youth Clubs (Disability strand):	Sparkle (jointly with NCC)
Children with Additional Needs Service (Disability Strand):	Barnardos (jointly with NCC)

In October 2016 an extensive and thorough review and evaluation of Families First in Newport was carried out by the Institute of Public Care. This review judged the programme to be fit for purpose and to be meeting the needs of the citizens of Newport.

The Review states:

“The Newport Families First Programme has remained largely unchanged since its initial inception with the structure of six strands still in place. However, the services offered to children and families have undoubtedly been on a journey in this time. This journey has led to the development of a well-structured model that provides a continuum of support, which is informed by, and responds to, local needs and provides a level of early intervention and prevention for children and families that aims to prevent the escalation of their needs to such an extent that they require intervention through Social Services.”

A Recommissioning Group began to meet in February 2017 to look at the current needs in Newport but in April 2017 Welsh Government issued new guidance effective from April 1st 2018, refocussing delivery of the Programme. Within the new guidance we would be unable to include any strands that supported families dealing with debt or employability issues (unless they were in the Disability Strand). In fact the refocusing of the Programme meant that it would now work with families to support parenting, work with young people, and work to prevent or mitigate Adverse Childhood Experiences (ACE'S). Therefore the Family Skills project delivered by SEWREC would have to be decommissioned from April 2018.

In October 2017, the Local Authority heard that the city had been chosen to be a Full Flexibility Pathfinder under the new Flexible Funding arrangements. The Full Flexibility pathfinder will give 100% flexibility across grants in order to achieve increased programme alignment, make more effective use of funding and meet local needs.

Forward planning for Flexible Funding has been problematic as with any new funding stream, information regarding implementation from the Welsh Government has not always been available, which has resulted in delays in decision making. Consequently the recommissioning of Families First was paused and it was decided that the Cabinet Member should be approached to give permission to extend the Families First Contracts for another year to provide time for the local authority and partners to decide the best utilisation of the money available through Flexible Funding. This will benefit the services provided in Newport as it will avoid duplication of services and give more scope to design services to support the drive for more preventative, long-term approaches.

As current contracts for Families First are due to expire on 31st March 2018, the Local Authority as the Grant Holder has to seek a Cabinet Member decision to waive Contract Standing Orders to extend the current contracts relating to Families First (where the activities of the strands concerned meets the requirements of the new guidance for Families First). However as the disaggregated value of the contracts are below the OJEU 'Light Touch Regime for Social and other specific services (Regulation 74) threshold of £615K there is no legal requirement in accordance with the Public Procurement Regulations 2015 to invite competitive tenders we are seeking approval to extend them for a further year.

As will be seen in the table below (within the Financial Summary) which illustrates the plans for the contracts for the next year, there are staffing implications within Newport City Council and with external providers if these contracts are not extended. The delivery plan based on the extension of these contracts has been accepted by the Welsh Government which means that there will not be any claw back of funding.

Financial Summary

Strand	Project	Lead Organisation	Activity	17/18 Total External Contract Budget £1,233,548.00	18/19 Total External Contract Budget £840,279.00
Children and Young People Skills	Newport Parent Network	GAVO	To enable parents and carers to have a voice in and influence the planning and delivery of services and to increase the voices of seldom heard parents in Newport.	£27,000	£26,514
Family Well-Being	Family Well-Being	Newport Live	This project provides a multi-agency approach to addressing the family and community health needs of Newport through targeted health promotion, focused events, activities and provision designed to encourage physical activity. Professional support on all family diet, mental health and substance misuse issues will be available to meet identified needs. The project is led by Newport Live in Consortia with Newport Mind, Aneurin Bevan Health Board and Kaleidoscope.	£348,190	£325,055
Confident and Nurturing Families	Confident and Nurturing Families	Barnardos	This project recognises and builds on parenting strengths and increasing resilience, and encourages healthy relationships and support networks	£206,165	£202,454
Disability Family Support	Children with Additional Needs	Barnardos and NCC	The CANS team provides support for families whose child or children are aged 0-17 years and present with additional needs, which may be associated with a physical or cognitive impairment, and extends to physical, learning difficulties,	£109,955	£107,976

Strand	Project	Lead Organisation	Activity	17/18 Total External Contract Budget £1,233,548.00	18/19 Total External Contract Budget £840,279.00
			sensory impairment and complex health needs.		
Disability Family Support	Young Carers	Barnardos	The project supports young people who help look after a member of the family who is sick, disabled, has mental health problems or is affected by substance misuse.	£101,462	£99,636
Disability Family Support	Maximising Income for Families with a Disability	CAB	The service maximises the income of children and families with disabilities, improves their access to services to meet their needs, and provides financial assistance with regards to financial exclusion and debt	£40,112	£39,390
Disability Family Support	Serennu Play	Sparkle	Multi-agency Family Support Provision for Children and Young People with a Disability or Developmental Difficulty, and provides a specialist play provision for those aged 0 – 18 years.	£39,974	£39,254

The total external budget for 18/19 has been significantly reduced due to:

- An overall 1.8% decrease in the grant from Welsh Government
- the decommissioning of the Family Skills Project and Family Forest Centre which equates to £360,690.00 due to refocusing of the Families First Programme and a reduction of £23,000.00 for the budget for Family Wellbeing (this includes the 1.8% cut in the grant i.e. £6267.00, and the remainder has been used to support internally delivered Families First services).

All costs above will be met through the Families First Grant (now Flexible Funding).

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
If the contracts are not extended - the non-delivery of services	High – The Authority would then need to complete a full tender process which will take a maximum of six months.	Medium/Low The Lead agencies have informally indicated they wish to continue with the contracts for a further year	Maintain an active dialogue with Strand leads and commence negotiations regarding services as soon as possible	Families First programme Manager
Lack of cooperation by projects leading to new Families First Programme not being achieved	H	M	Close working continues with Projects concerned and relevant support provided where necessary	Families First Programme Manager
Non-compliance to the performance requirements of the WG, resulting in less funding being received	High -	High -	Work with Lead Agencies to ensure delivery is agreed and starts from April 1 st 2018	Families First programme Manager
Reduction in Project budgets now and in the future reduce services available to families therefore increasing poverty in the city	H	L	Projects delivering directly to families have been prioritised.	Families First Programme Manager

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

The Families First contracts are a part of the £2,384.663.00 Families First Grant which is funded by the Welsh Government under the Flexible Funding initiative, for which Newport is a Full Flexibility Pathfinder.

Options Available and considered

The Cabinet Member could decide to not issue any contracts under Families First for the 2018/19 period which would mean that there would not be any services available during that time for families. This would result in an increased need for statutory services during that time and internal members of staff would need to be redeployed into other work.

As current contracts for Families First are due to expire on 31st March 2018, the Cabinet Member could seek to recommission the whole programme from April 1st. It is now not possible to do this fully, within the timescale.

Preferred Option and Why

The preferred option is for the Local Authority as the Grant Holder to seek a Cabinet Member decision to waive contract standing orders to extend the current contracts relating to Families First. However as the disaggregated value of the contracts are below the OJEU 'Light Touch Regime for Social and other specific services (Regulation 74) threshold of £615K we are seeking approval to extend them for a further year.

Comments of Chief Financial Officer

There is no adverse financial impact in implementing this proposal. Newport City Council has been awarded Full Flexibility Pathfinder status under the new Flexible Funding arrangements and so extending these contracts for one year will allow for a full review of the programme in 2018/19. The values of the individual Families First contracts are below the OJEU 'Light Touch Regime for Social and other specific services (Regulation 74) threshold of £615K so there is no legal requirement for the Council to tender them in accordance with the Public Procurement Regulations Act 2015

The Full Flexibility pathfinder will give 100% flexibility across grants in order to achieve increased programme alignment, make more effective use of funding and meet local needs. There are staffing implications within Newport City Council and with external providers if these contracts are not extended.

Under Contract Standing Orders, this will need to be reported to the Audit Committee and justification reviewed there, in addition to this decision making process. This does not stop the CM making a decision at this time – it will be reviewed and scrutinised retrospectively.

Comments of Monitoring Officer

The proposed extensions to the current Families First contracts for a further period of 12 months as from 1st April 2018, will enable the current services to be delivered, pending a wholesale review of the commissioning of these services in the light of the new flexible funding arrangements. These 12 month contract extensions are not covered by the terms of the existing contracts and, therefore, will constitute a direct award to the providers, without any competitive tendering. However, the values of the contracts are below the OJEU threshold of £615K under the "Light Touch" Regime for social care services. Therefore, there is no legal requirement for the Council to tender them in accordance with the Public Contracts Regulations. However, Contract Standing Orders will need to be formally waived in order to allow for this. This will need to be done as a matter of urgency because the current contracts expired as at the end of March 2018 and there is insufficient time for pre-decision consultation or post-decision call-in. Therefore, if the Cabinet Member agrees to waive Standing Orders urgently to allow for the contract extensions, then the reason for the urgency will need to be reported to Audit Committee in due course.

Comments of Head of People and Business Change

The Families First Programme helps to meet various sustainable development duties under the Well-being of Future Generations (Wales) Act 2015, in particular the prevention and collaboration duties.

The ethos of Families First Programme is preventative. It helps, advises and supports families to prevent any issues or problems from getting worse, dealing with the root cause of problems to enable families to make progress after the support has ended. The Newport programme is truly collaborative with partner organisations working together to deliver the six Families First strands. Families are very much involved in the decisions that affect them and regular engagement events take place to gather the views of families.

From an HR perspective if the decision is to not extend contracts of employment, we need to be mindful of due process when ending employment contracts. Particularly those employees who have rights to a redundancy payment or those employees who have 2 years or more service. Consultation has been ongoing with staff regards cessation of funding however if contracts are required to end on 31 March 2018, then relevant notice periods will be required to be paid in lieu.

Comments of Cabinet Member

The report author is to confirm that the Cabinet Member has approved the report.

Local issues

Not Applicable

Scrutiny Committees

Not applicable

Equalities Impact Assessment and the Equalities Act 2010

Not applicable

Children and Families (Wales) Measure

This Measure placed a duty on Welsh Ministers, local authorities and other public bodies to set specific objectives for tackling child poverty and to publish child poverty strategies. Families First Programme came into being as a result of this Measure and is one of the Welsh Government's anti-poverty programmes.

Wellbeing of Future Generations (Wales) Act 2015

Long term: The extension of these contracts will support families to avoid becoming engaged with statutory services thus preventing long term needs escalating.

Prevention: Families First is a prevention and early intervention Programme

Integration: The services provided by Families First are family centred and provided following an assessment of individual need. The Team Around the Family meeting is an integrated meeting with all professionals present and the resulting Action Plan is agreed and owned by the family. Therefore the family will be assisted to realise their potential in all aspects of life across the Wellbeing Goals (economic, social, cultural and environmental)

Collaboration: Families First provision as a whole is a collaboration between 5 different services within NCC and works in collaboration with health, police, schools, Newport Mind, Barnardo's, CAB, GAVO, Newport Live under the governance of the PSB.

Involvement: Families First holds regular Engagement days with Parents and Families in Newport (the last was on Feb 23rd 2018) in the City Centre and activities are devised to particularly include hard to reach families. As a whole Families First utilises a multi-agency engagement process with families recording their views and completing Distance Travelled Tools at different stages of their involvement. We have also had a Review of services provided by Families First carried out by the IPC, where over 60 families were involved in giving feedback about the Programme

Crime and Disorder Act 1998

1Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Consultation

Comments received from wider consultation, including comments from elected members, are detailed in each application report in the attached schedule.

Background Papers

None

Dated: 16 May 2018