

<b>DECISION-MAKER:</b>	<b>CABINET</b>		
<b>SUBJECT:</b>	<b>FAMILY MOSAIC STAFF TUPE TO SOUTHAMPTON CITY COUNCIL</b>		
<b>DATE OF DECISION:</b>	<b>17 OCTOBER 2017</b>		
<b>REPORT OF:</b>	<b>CABINET MEMBER FOR HOUSING AND ADULT CARE</b>		
<b><u>CONTACT DETAILS</u></b>			
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<b>Director</b>	<b>Name:</b>	<b>Stephanie Ramsey</b>	<b>Tel:</b> <b>023 80 834899</b>
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#### **STATEMENT OF CONFIDENTIALITY**

Not Applicable

#### **BRIEF SUMMARY**

Family Mosaic operates a small floating support service which focuses on the housing needs of older people living in sheltered housing schemes. This contract was due for an extension, to align with a wider tender. Southampton City Council offered to extend the contract to March 2018, however, due to the recent changes within Family Mosaic, including their loss of business in the recent round of housing related support tenders, Family Mosaic made a strategic decision to withdraw its business from Southampton and Hampshire. This resulted in the need for the Council to find alternative arrangements for the provision. The provider agreed to carry on with the service until the end of September 2017 before handing back the contract.

To enable legal TUPE activity to take place prior to the transfer of 2.55 FTE (4 actual) staff on 2 October 2017 into the council, a Delegated Decision under the Scheme of Delegation (2.2) was taken by the Chief Executive on 14<sup>th</sup> September 2017. This paper is to inform the Cabinet of the Delegated Decision.

#### **RECOMMENDATIONS:**

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| (i) | To ask Cabinet to note the Delegated Decision taken on 14 September by the Chief Executive after consultation with the portfolio holder. |
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#### **REASONS FOR REPORT RECOMMENDATIONS**

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| 1. | Normally, insourcing TUPE decisions would need to seek Cabinet approval, however, due to the circumstances and the urgency required, the decision was taken outside of the Cabinet, with Cabinet being informed of the decision retrospectively at the Cabinet on 17 <sup>th</sup> October 2017 in accordance with the Constitution. This process is in line with the Officer Scheme of Delegation (Urgent Matters). |
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2.	This decision was taken after exploring all the alternative options. The Family Mosaic service specification mirrors that of the 60+ Service run by the Council. The staff have relevant expertise and have received appropriate training to support vulnerable older people with housing needs. There is sufficient funding and the transfer will release savings. TUPE into the Council is our preferred option as it ensures continuity of support and it is in line with our future vision for Older Person services.
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
3.	A number of other options were considered before deciding that that TUPE into the Council would be the preferred option, these included:
4.	Appointing another provider to carry on with the contract until March 2018 – this would mirror the current arrangements and result in a small, isolated service, which does not offer good value for money. Rushed procurement increases chances of challenge from unsuccessful providers. Delays within procurement could have caused a gap in provision.
5.	Continuing with the service until March 2018 – Family Mosaic have been shifting their position as to their ability and willingness to carry on with the service until March 2018 – and their final decision was not clear at the point a decision was required to enable legal TUPE processes to be completed. Furthermore, if Family Mosaic agreed to carry on with the service, this option would mirror the arrangements already in place, resulting in an isolated service. Negotiations on the contracts costs are likely, resulting in further delay and staff insecurity. This option is also unlikely to release savings and may increase costs.
6.	The long term plan for this service was to align the funding to support with the development of the Older Person's Offer worksteam – which is due to go live in March 2018. Any changes currently taking place need to be mindful of the long term vision for Older person's services in the city. The option to TUPE staff into the Council supports our long term vision for Older person services. The Service Manager for 60+ Service confirms that they are supportive of the TUPE process.
<b>DETAIL (Including consultation carried out)</b>	
7.	Following changes to contracts providing Housing Related Support (HRS) in Southampton to adults and young people, Family Mosaic felt unable to continue to provide a small residual contract offering HRS to older people. The Council offered to extend the contract to March 2018, however, due to the recent changes within Family Mosaic, including their loss of business in the recent round of HRS tenders, they made a strategic decision to withdraw their business from Southampton and Hampshire. This resulted in the need for the Council to find alternative arrangements for the provision. The provider agreed to carry on with the service until the end of September 2017 before handing back the contract.
8.	Because of these arrangements coming to an end, alternative options have been pursued with the transfer of 2.55 FTE from an external provider to the internal the Council older person HRS service being the most viable and preferred option.

9.	<p>The short notice period has prompted earlier than planned consultation and engagement with landlords and residents about changes to the service. The changes cover the provision of housing management functions, access to activities and housing related support.</p> <p>Housing management functions would normally be provided by the landlords, Hyde and Sovereign. Family Mosaic adopted some of those duties, but with Family Mosaic ending their involvement, Hyde and Sovereign have accepted responsibility to deliver this part of the service from October 2017. There will be no additional cost to the council as a result.</p>										
10.	<p>The current service is provided by 2.55 FTE staff members. There are 4 staff members as follows:</p> <ul style="list-style-type: none"> <li>• Staff member 1, working 0.53 FTE (20hrs)</li> <li>• Staff member 2, working 0.47 FTE (17.5hrs)</li> <li>• Staff member 3, working 0.8 FTE (30hrs)</li> <li>• Staff member 4, working 0.75 FTE (28hrs)</li> </ul>										
<b>CONSULTATION DETAIL</b>											
11.	<p>Leading up to this proposal and decision, consultation led by the landlords, has taken place with residents with Council representatives (from the ICU) in attendance. All residents are fully aware of the proposed changes to their service from October 2017. These changes cover the provision of housing management, activities and HRS. Changes to housing management and provision of site activities will change from October 2017.</p>										
12.	<p>Residents are aware there will be a change of provider offering them housing related support. This has been communicated to them through their current support staff in conjunction with the relevant landlords.</p>										
13.	<p>Consultation with staff commenced in accordance with TUPE requirements, offering meetings with managers from the Council 60+ service followed by one to one appointments as requested.</p>										
<b>RESOURCE IMPLICATIONS</b>											
<b><u>Capital/Revenue</u></b>											
14.	<p>The annual budget for providing HRS for Older people via contracted service for 2016/17 is currently £315,300. Commitments will be as follows</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: right;">£</th> </tr> </thead> <tbody> <tr> <td>Contract commitment April – Sept 2017</td> <td style="text-align: right;">£158,082</td> </tr> <tr> <td>Staff (2.55 FTE) costs Q3 &amp; Q4 (includes contingency for travel, mobile phones etc)</td> <td style="text-align: right;">£32,500</td> </tr> <tr> <td>Non Recurring savings 2017/18</td> <td style="text-align: right;">£124,718</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>£315,300</b></td> </tr> </tbody> </table>		£	Contract commitment April – Sept 2017	£158,082	Staff (2.55 FTE) costs Q3 & Q4 (includes contingency for travel, mobile phones etc)	£32,500	Non Recurring savings 2017/18	£124,718	<b>Total</b>	<b>£315,300</b>
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	In the short term, it is anticipated that £124,718 can be made by transferring staff into the council compared to the Family Mosaic contract but this is likely only to be temporary. The services provided in this field are due to be expanded in the next financial year to address pressures elsewhere in the system, for example, providing support when dealing with hoarders etc. The scope for this part of the new HRS service is still being finalised, but it is hoped this along with the annual staffing costs of £65,000 can be delivered for less than the annual £315,300 contract with Family Mosaic by adopting a more efficient and targeted model.
<b><u>Property/Other</u></b>	
15.	None
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
16.	This process is in line with Southampton City Council's Officer Scheme of Delegation .
17.	The transfer of staff is in line with the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).
<b><u>Other Legal Implications:</u></b>	
17..	None
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
19.	The recommendations in this paper support the delivery of outcomes in the Council Strategy. They also contribute to the City Strategy and the Health and Wellbeing strategy. The proposals particularly support Council Priority Outcome: People in Southampton live safe, healthy and independent lives

<b>KEY DECISION?</b>	Yes
<b>WARDS/COMMUNITIES AFFECTED:</b>	None
<b><u>SUPPORTING DOCUMENTATION</u></b>	
<b>Appendices</b>	
1.	Delegated Decision Notice
<b>Documents In Members' Rooms</b>	
1.	None
<b>Equality Impact Assessment</b>	
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
<b>Privacy Impact Assessment</b>	
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.	No

**Other Background Documents**

**Equality Impact Assessment and Other Background documents available for inspection at:**

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None