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|                                                                                        | <b>Officer Key Decision</b>                                        |
|                                                                                                                                                                         | <b>Report to the Strategic Director of<br/>Community Wellbeing</b> |
| <b>AUTHORITY TO TENDER CONTRACT TO DELIVER A RAPID ASSESSMENT HUB AND A HOUSING FIRST SERVICE FOR ROUGH SLEEPERS FUNDED BY THE ROUGH SLEEPER INITIATIVE (RSI) GRANT</b> |                                                                    |

|                                                                                                                                            |                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Wards Affected:</b>                                                                                                                     | All                                                                                                |
| <b>Key or Non-Key Decision:</b>                                                                                                            | Key Decision                                                                                       |
| <b>Open or Part/Fully Exempt:</b><br>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act) | Open                                                                                               |
| <b>No. of Appendices:</b>                                                                                                                  | Two<br>Appendix 1: Equality Impact Analysis<br>Appendix 2: Waiver                                  |
| <b>Background Papers<sup>1</sup>:</b>                                                                                                      | None                                                                                               |
| <b>Contact Officer(s):</b><br>(Name, Title, Contact Details)                                                                               | Laurence Coaker,<br>Head of Housing Needs Service<br>laurence.coaker@brent.gov.uk<br>020 8937 2788 |

## 1.0 Purpose of the Report

- 1.1 This report requests approval to invite tenders in respect of a contract to deliver a Rapid Assessment Hub and a Housing First Service, which will be funded by the Ministry of Housing, Communities and Local Government (MHCLG) under the annually allocated Rough Sleeper Initiatives (RSI) Grant as required by Contract Standing Orders 88 and 89. The proposed contract is anticipated to commence from 1 July 2021 to 31 March 2022 for a period of 9

months, with an option to extend for up to a further two years (1 April 2022 to 31 March 2024) on a 1 + 1 plus basis and will be tendered as two Lots.

- 1.2 The purpose of the proposed contract is to provide services which will provide intensive support in order to meet the complex support needs of rough sleepers; and to prevent and reduce rough sleeping.
- 1.3 Additionally, this report seeks the direct award of one contract delivering services to rough sleepers.

## **2.0 Recommendation(s)**

That the Strategic Director of Community Wellbeing:

- 2.1 Approves the direct award of an interim contract for the provision of Rapid Assessment Hub and a Housing First Service which will be funded by the MHCLG under the annual Rough Sleeper Initiatives (RSI) Grant for a period of three (3) months (from 1 April 2021 to 30 June 2021) to St Mungo Community Housing Association (“St Mungo’s”) to allow enough time to complete a tendering exercise in order to select a successful bidder that will keep providing these services longer term, the value of which is £132,308.
- 2.2 Approves inviting tenders in respect of contracts to deliver a Rapid Assessment Hub and a Housing First Service which will be funded by the MHCLG under the Rough Sleeper Initiatives (RSI) Grant on the basis of the pre - tender considerations set out in paragraph 3.15 of the report for an initial period of 9 months from 1 July 2021, with an option to extend for up to a further two years (1 April 2022 to March 2024) on a 1 + 1 plus basis at a total combined estimated value of £1,905,393.
- 2.3 Approves Officers evaluating the tenders referred to in 2.2 above on the basis of the evaluation criteria set out in paragraph 3.14 of the report.

## **3.0 Detail**

- 3.1 Rough sleepers are one of the most vulnerable groups in society, and many have high levels of complex and interrelated needs such as mental health problems and drug and alcohol dependencies. The longer someone sleeps rough, the more likely these conditions are to get worse.
- 3.2 A number of government led initiatives have also been introduced nationally in the past in an effort to prevent and relieve street homelessness. These include The “Rough Sleepers’ Initiative (RSI), “No Second Night Out” (NSNO); “Streetlink”; ”Reconnection”. The current Government has also committed to ending rough sleeping by 2024 and is working with boroughs and charities with a commitment to maintaining investment in services.

- 3.3 Despite these efforts however, rough sleeper counts have been rising. Government statistics for autumn 2019 recorded a 141% increase in the number of people sleeping rough in England since 2010. In 19/20, Brent assisted approximately 111 rough sleepers.
- 3.4 The Rough Sleeping Initiative was first announced in March 2018 to make an immediate impact on the rising levels of rough sleeping. In this round of funding, the Grant determination for the second tranche of Resource Departmental Expenditure limit (RDEL) Funding to cover the latter 6 months of 2021 was £54,157,988 to provide local support for those living on the streets, to help them off the streets and into accommodation. Government analysis also indicates that numbers are 32% lower in funded areas than they would be without the initiative.
- 3.5 Since 18/19, the Service has submitted bids to the MHCLG for funding under the Rough Sleeper Initiative (RSI) grant, to help tackle rough sleeping in Brent. In January 2021, the Service will submit another bid to the MHCLG.
- 3.6 The Council currently has a contract with St Mungo's to deliver the Outreach and Resettlement service for rough sleepers which will expire (after options to extend may be exercised) on 31<sup>st</sup> March 2024.

### **Rough Sleeper Initiative (RSI) Interventions**

- 3.7 A total of £827K was allocated to the Council by MHCLG under annual Rough Sleeper Initiative (RSI) Grant determination in 20/21 for the purposes of achieving specific interventions to support a reduction in the number of rough sleepers. Allocations for 20/21 and previous years have been as follows:

|       |          |
|-------|----------|
| 18/19 | £348,204 |
| 19/20 | £369,204 |
| 20/21 | £827,422 |

- 3.8 It is anticipated that the grant determination will be relatively stable or will increase based on previous years' allocations. Of these interventions funded by the MHCLG, we are tendering for the following interventions/services until 31<sup>st</sup> March 2024 based on 20/21 funding levels as follows:

| Intervention   | Name                  | Description                                                                                                                                                                                                                                                                                                  | 20/21 funding |
|----------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Intervention 1 | Rapid Assessment Hub  | Provision of 24 hour Rapid Assessment Hub to assess rough sleepers and provide short term accommodation pending assessment for up to 14 rough sleepers, including 4 bed spaces for No Recourse to Public Funds (NRPF) individuals (the number of rough sleepers supported is yet to be determined for 21/22) | £413,348      |
| Intervention 2 | Housing First Service | This approach prioritises moves into secure accommodation for up to 12 entrenched rough sleepers (the number of rough sleepers supported has yet to be determined for 21/22)                                                                                                                                 | £115,886      |
| Total          |                       |                                                                                                                                                                                                                                                                                                              | £529,234      |

|                                                |             |                                                                                                                                                                                                                                                                                                                                                                                                                             |          |
|------------------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Expansion of Services of interventions 1 and 2 | Unspecified | Each year a grant application for interventions made to deal with needs arising and presenting in the London Borough of Brent for rough sleepers. Interventions which are based on an accommodation based support model will be placed as part of the Rapid Assessment Hub contract (Lot 1) and interventions based on a floating support based model will be placed as part of the Housing Based Service contract (Lot 2). | £150,000 |
|------------------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|

### Lot 1 Rapid Assessment Hub

This service is designed to provide a rapid response service to reduce the number of rough sleepers on the streets. The provider would be expected to undertake intensive support around reconnection and assessments ensuring all key elements and barriers to access accommodation are addressed. Self-contained or accommodation which meets Covid regulations would be expected for up to 14 individuals. The accommodation would need to be sourced independently or the lease for the premises currently being used for this service can be negotiated with the current landlord. The service would provide 24 hours waking support with a target stay of 12 weeks. In 20/21 the grant determination provided support for 10 bed spaces for complex needs clients with recourse to public funds and 4 bed spaces for clients with No Recourse to Public Funds (NRPF)

## Lot 2 Housing First Service

This model has been set up to assist up to 12 entrenched rough sleepers with health and social care needs with a chance to rebuild their lives. The provider would be expected to identify individuals known to outreach teams. The Council would approve and assist with sourcing and allocating accommodation to each individual and the provider would be expected to continue to provide support on an individual basis.

The current Housing First service contains funding for a further 6 Housing First Units, which will increase the capacity to meet the needs of the single homeless people with high support needs. The tendered service will deliver support up to 12 Housing First Units and if there is any other grants allocated as for this year in future years this will be allocated through the other interventions component of this tender

- 3.9 Our intention is to tender for these two services on a long-term basis until 31 March 2024 so that all rough sleeper services can be aligned with the current Outreach service. In order to achieve this objective, we are going out to tender in January 2021 and it is envisaged that these services will be awarded for services to commence in 1st July 2021. In the interim, to ensure continuity of existing services and ensure the provision of a correct mobilisation period for a new service provider, a direct award to St Mungo's for the two interventions is proposed for 3 months (1 Apr 2021 to 30 Jun 2021), the value of which is £132,308. A waiver to the requirement to seek quotes in respect of this direct award has been sought from the Director of Finance (see Appendix 2).

### Contract value

- 3.10 The contract value has been calculated based on the 20/21 grant allocations for two interventions Rapid Assessment Hub and a Housing First Service which will be funded by the MHCLG under the annual Rough Sleeper Initiatives (RSI) Grant as follows:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Contract price for 9 months July 21-March 22 (FY21/22)<br>9/12*£529,234 (see 3.9)                                                                                                                                                                                                                                                                                                                                                                                                                                                               | £396,925 |
| Contract price for 12 months (FY22/23)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | £529,234 |
| Contract price for 12 months (FY23/24)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | £529,234 |
| Contract price for an expansion of services regarding the two interventions for FY21/22- FY23/24 £150,000 pa<br>Each year a grant application for interventions will be made to deal with needs arising and presenting in the London Borough of Brent for rough sleepers. Interventions which are based on an accommodation based support model will be placed as part of the Rapid Assessment Hub contract (Lot 1) and interventions based on a floating support based model will be placed as part of the Housing Based Service contract (Lot | £450,000 |

|       |            |
|-------|------------|
| 2).   |            |
| Total | £1,905,393 |

- 3.11 The above budgets are based on the 20/21 Grant determination and hence subject to change based on the annual determination of the RSI Grant by MHCLG and the annual bid by LB of Brent. We are seeking to provide a service on ongoing basis though the source of funds which are based on an annual grant determination by MHCLG under RSI grant.
- 3.12 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Strategic Director.

| Ref.  | Requirement                         | Response                                                                                                                                                                                                                                                                    |                                |
|-------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| (i)   | The nature of the services.         | Two contracts will be procured – a Rapid Assessment Hub contract and a Housing First Service contract, both of which will be funded by the Ministry of Housing, Communities and Local Government (MHCLG) under the annually allocated Rough Sleeper Initiatives (RSI) Grant |                                |
| (ii)  | The estimated value.                | The total cost of both contracts is estimated as £1,905,393                                                                                                                                                                                                                 |                                |
| (iii) | The contract term.                  | The proposed contracts are anticipated to commence from 1 July 2021 to 31 March 2022 for an initial period of 9 months, with an option to extend for up to a further two years (1 April 2022 to March 2024) on a 1 + 1 plus basis.                                          |                                |
| (iv)  | The tender procedure to be adopted. | Open                                                                                                                                                                                                                                                                        |                                |
| v)    | The procurement timetable.          | <b>Indicative dates are:</b>                                                                                                                                                                                                                                                |                                |
|       |                                     | Market engagement                                                                                                                                                                                                                                                           | 13 <sup>th</sup> January       |
|       |                                     | Advert placed ITT issued                                                                                                                                                                                                                                                    | 19 <sup>th</sup> January 2021  |
|       |                                     | Deadline for tender submissions                                                                                                                                                                                                                                             | 19 <sup>th</sup> February 2021 |
|       |                                     | Panel evaluation                                                                                                                                                                                                                                                            | February/March 2021            |

| Ref. | Requirement                          | Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |
|------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
|      |                                      | Moderation /contract decision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | w/c 22/03/21              |
|      |                                      | Report recommending Contract award circulated internally for comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | w/c 12/04/21              |
|      |                                      | Strategic Director approval                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | w/c 19/04/21              |
|      |                                      | Minimum 10 calendar day standstill period – notification issued to all tenderers and additional debriefing of unsuccessful tenderers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 22/04/21-2/05/21          |
|      |                                      | Contract Mobilisation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | May-June 2021             |
|      |                                      | Contract start date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1 <sup>st</sup> July 2021 |
| (vi) | The evaluation criteria and process. | <p>An Open tender process will be used but this will consist of 2 stages:</p> <ul style="list-style-type: none"> <li>• At initial stage based on the use of a supplier questionnaire where the panel will identify organisations meeting the Council's financial standing requirements, technical capacity and technical expertise. The questionnaire and criteria are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines.</li> <li>• A subsequent stage where tenders will be evaluated. At tender evaluation stage, the panel will evaluate the tenders against the following criteria: 50% quality, 10% Social Value and 40% price. The panel will evaluate the tenders against the following quality criteria :</li> </ul> <ul style="list-style-type: none"> <li>• Safeguarding</li> <li>• Support and Care planning including risk management</li> <li>• Working effectively with service users to achieve outcomes</li> </ul> |                           |

| Ref.   | Requirement                                               | Response                                                                                                                                                                                                                                                                                                                              |
|--------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                           | <ul style="list-style-type: none"> <li>Workforce including, staffing developments, satisfaction of workforce, staffing retentions</li> </ul>                                                                                                                                                                                          |
| (vii)  | Any business risks associated with entering the contract. | Financial Services and Legal Services have been consulted concerning this contract and have identified the risks associated with entering into this contract set out Section 8.0<br>Human Resources implications: TUPE, The transfer of support provision from old providers to new if different from incumbent provider after tender |
| (viii) | The Council's Best Value duties.                          | The adoption of an open tendering process will enable the council to achieve best value for money                                                                                                                                                                                                                                     |
| (ix)   | Consideration of Public Services (Social Value) Act 2012  | see Section 9 below                                                                                                                                                                                                                                                                                                                   |
| (x)    | Any staffing implications, including TUPE and pensions.   | There will be TUPE implications which have been taken into consideration with the time scales                                                                                                                                                                                                                                         |
| (xi)   | The relevant financial, legal and other considerations.   | See sections 4 and 5 above.                                                                                                                                                                                                                                                                                                           |

3.13 The Strategic Director of Community Wellbeing is asked to give his approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

#### 4.0 Financial Implications

4.1 The estimated value of this services contract is £1,905,393. This assumes the contract is extended for a further two years after the initial awarding which will run until March 2022.

4.2 It is anticipated that the cost of this contract will be funded from the MHCLG Rough Sleeping Initiative grant. Whilst grant funding has been agreed annually in recent years, the overall level of this grant is expected to remain constant or increase in subsequent years. Should this not be the case, there would be the option not to extend beyond March 2022, the initial awarding period.



- 4.3 The interventions delivered by this service reduce the barriers that prevent rough sleepers from accessing accommodation, reducing rough sleeping and providing broader benefits to those who receive the targeted support.

## **5.0 Legal Implications**

### **Interim Contract for Rapid Assessment Hub and a Housing First Service**

- 5.1 Officers are proposing to direct award an interim contract for the provision of Rapid Assessment Hub and a Housing First Service for a period of three (3) months (from 1 April 2020 to 31 June 2020) to St Mungo Community Housing Association (“St Mungo’s”) in order to allow enough time to complete a tendering exercise and select a bidder that will keep providing these services, the value of which is anticipated to be £132,308. Both services are classed as Part 3 Services for the purposes of the Public Contracts Regulations 2015 (“PCR 2015”) and therefore only subject to regulation 112 which pertains to ‘below threshold procurement’ and the overriding principles of equality of treatment, fairness and transparency in the award of contracts and as such should you approve the award of this contract, the Council will be required to publicise the contract award on Contracts Finder within a reasonable time of the formal decision.
- 5.2 The proposed award of this contract is subject to the Council’s own Contract Standing Orders (“CSO”) in respect of Low Value Contracts. Under CSO 84(a) every contract entered by the Council shall be entered into pursuant to or in connection with the Council’s functions and shall be procured in accordance with all relevant domestic and EU legislation and unless for good operational and/or financial reasons individual Cabinet member agrees otherwise, with Contract Standing Orders and Council’s Financial Regulations. CSO 84(b) permits the Director of Finance to grant an exemption from the requirement to obtain 3 written quotes under CSO 86(c). CSO 86(c) requires a minimum of 3 written quotes to be sought for Low Value Contracts. Officers at paragraph 3.9 have explained why they believe there are good operational and/or financial reasons for waiving the requirement to seek quotes which the Director of Finance has agreed.

### **Tenders for the delivery of a Rapid Assessment Hub and a Housing First Service**

- 5.3 The estimated value of the contracts for a Rapid Assessment Hub and a Housing First Service is a total sum of £1,905,393 for the whole duration of the contracts and as such in excess of the PCR 2015 threshold for Schedule 3 Services currently set at £663,540.
- 5.4 Schedule 3 services valued over the applicable threshold are subject to “the light touch regime” which requires authorities to comply with mandatory

procedural rules, which involve: 1) Advertising requirements; 2) Award Procedures; and 3) Publishing Contract Award information.

- 1) Advertising requirements: The Council is required to advertise contracts so Officers will need to advertise this opportunity on Find a Tender.
- 2) Award Procedures: Although the Council has a considerable amount of discretion around the design and structure of their award procedures for above threshold Schedule 3 contracts, it is however subject to the overriding principles of equality of treatment, fairness and transparency in the award of contracts and also subject to conduct the procurement and resulting award in conformity with the information it publishes.
- 3) Publishing Contract Award: The Council must send an electronic contract award notice for publication in Find a Tender. The Council must also observe the mandatory minimum 10 calendar day standstill period before contracts can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the standstill period, at the end of such period the council can proceed with the award of the contract.

5.5 The proposed contracts falls within the definition of Medium Value Contracts in accordance with Brent's Contract Standing Orders 82. For Medium Value Contracts, the Strategic Director must approve the pre-tender considerations set out in paragraph 3.14 above (Standing Order 89) and the inviting of tenders (Standing Order 88).

5.6 Officers are proposing to award a contract for an initial period of 9 months with an option to extend it for up to a further two years (1 April 2022 to March 2024) on a 1 + 1 plus basis and vary it in accordance and subject to annual determination secured from the RSI Grant set up by MHCLG. The potential modifications will need to be part of the initial procurement procedure, and which would allow potential bidders to bid for the services that will be covered under this opportunity. The related procurement documents should include any potential expansion of services, seek to commit potential bidders to undertake them and require them to have the resources to carry out such services.

5.7 Once the tendering process is undertaken, Officers will report back to the Strategic Director in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.

5.8 The services are currently provided by an external service provider and there is no implications for the Council staff arising from the retendering the contract. However, if the contracts are awarded to a new contractor the Transfer of Employment (Protection of Employment) Regulations 2006 (“TUPE”) is likely to apply so as to transfer from the current to the new contractor those employees of the current contractor who spend all or most of their working time on the activities taken over by the new contractor.

## **6.0 Equality Implications**

6.1 The proposals in this report have been subject to screening and officers believe that there are no equality implications.

6.2 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

6.3 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary. The Strategic Director is referred to the contents of this report for information, in particular the Equality Analysis at Appendix 1 and paragraph 6.1 of the report.

## **7.0 Consultation with Ward Members and Stakeholders**

7.1 A Market engagement was carried out with stakeholders on 13<sup>th</sup> January 2021.

7.2 The Housing Needs Service has also consulted with the Lead Member.

## **8.0 Human Resources/Property Implications (if appropriate)**

8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract.

8.2 This service is currently based in accommodation provision situated at Teignmouth Road providing a mixture of private and shared facilities and we expect that the new service provider will also source accommodation based in Brent.

We will require the successful bidder to have some presence in the Borough for the Lot 2 Housing First service.

## **9.0 Public Services (Social Value) Act 2012**

9.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement

9.2 It is the intention within this tender that 10% of the total evaluation criteria will be reserved for social value considerations.

**Report sign off:**

***Phil Porter***  
***Strategic Director Community Wellbeing***