



Cabinet
8 February 2021

**Report from the Strategic Director
of Community and Wellbeing**

**AUTHORITY TO TENDER CONTRACT FOR THE PROVISION
OF HOUSING RELATED SUPPORT SERVICES**

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	None.
Background Papers:	None.
Contact Officer(s): (Name, Title, Contact Details)	Lorraine Regan Programme Manager for NAIL, ECH and Housing Related Support Tel: 07776664452 Lorraine.Regan@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report requests Cabinet approval to invite tenders for contracts for the provision of Housing Related Support (HRS) services as required by Contract Standing Orders 88 and 89.
- 1.2 As part of the reorganisation and remodeling of the HRS services to continue to provide support to vulnerable people in the Borough, the Council wishes to re-procure the HRS services, which includes Mental Health, Homelessness both adults and Young People, Floating Support, Domestic Abuse refuges and a Handyperson service.:
- 1.3 The report also sets out how the proposal will meet demand and need across all client groups and deliver improved outcomes. In addition it also sets out the how the Council is seeking to move away from delivering services in large hostel type

provision to smaller accommodation where people are again likely to achieve better outcomes and be ready to live independently sooner.

2.0 Recommendation(s)

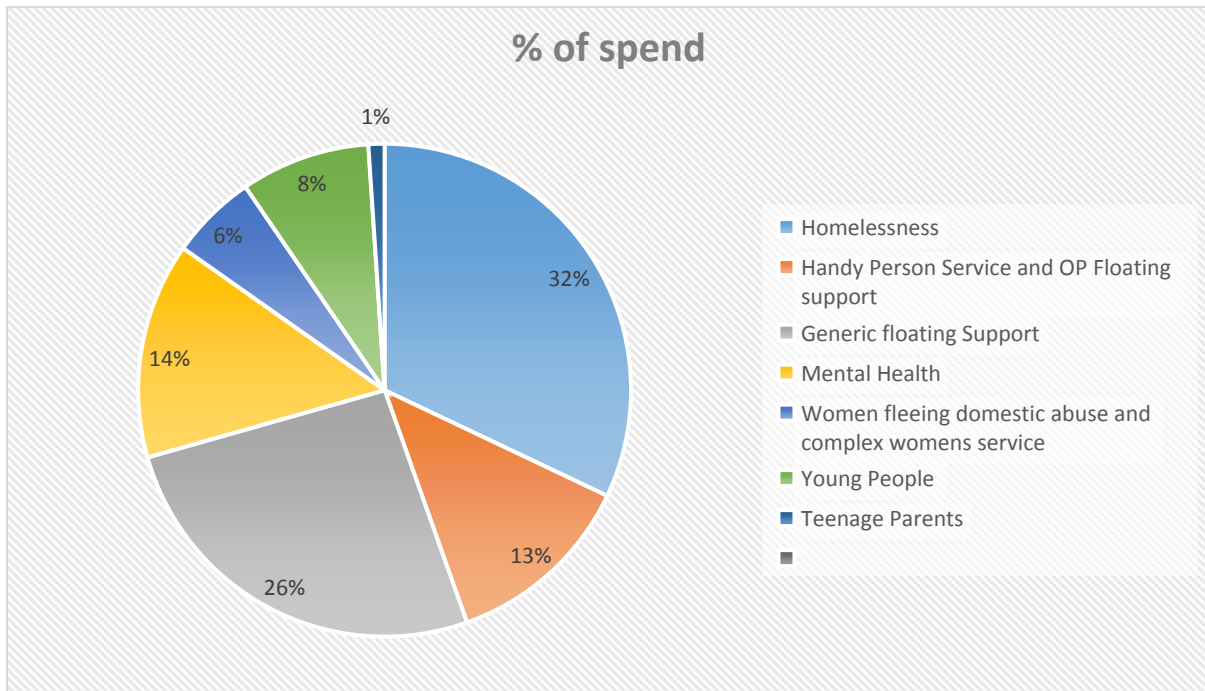
That Cabinet:

- 2.1 Approve inviting tenders for Housing Related Support (HRS) for Homelessness services (including ex-offenders); Mental Health services; Young Persons Services; Domestic Abuse Refuges and Complex Women's service; Generic Floating Support service, Older Persons Floating Support service and Handy Person service to be procured as seven separate contracts on the basis of the pre - tender considerations set out in paragraph 3.19 for initial contract term of three years with two plus 1 year options to extend (5 years in total). The anticipated commencement date would be 1st November 2021 and a total contract value of £15,189,940.
- 2.2 Approve Officers evaluating the tenders referred to in 2.1 and 2.2 on the basis of the evaluation criteria set out in paragraph 3.19 of this report.
- 2.3 Agree that contracts are tendered at London Living Wage (LLW) levels under the new proposed HRS service contracts as set out in Section 4 of this report.
- 2.4 Delegate authority to the Strategic Director of Community and Wellbeing in consultation with the Lead Member for Adult Social Care to award the contract for HRS services as detailed in this report.

3.0 Background

- 3.1 Housing Related Support provides non-statutory time limited (2 years) low-level support to a range of vulnerable people including: people who are homeless (both young and older people), people who have mental health support needs, ex-offenders, women fleeing domestic abuse and people with substance misuse issues. The service can be delivered either in a person's own home (floating support) or in supported accommodation where the support is linked with the accommodation. Support consists of supporting people to pay their rent & utility bills, help find employment, training or education and support people to cook, shop and engage with the community. In essence, it provides the life skills to enable vulnerable people to live independently and maintain a tenancy. People in receipt of HRS do not usually qualify for Adult Social Care services and providers are generally not regulated with Care Quality Commission (CQC) as HRS does not provide any regulated activities
- 3.2 The current annual HRS budget is £3,045,491. Other than the Older Persons Floating Support and Handy Person Contract, no other HRS contract is currently LLW compliant. Hourly rates range from £15.51 to £17.11 (excluding the Older Persons Floating Support and Handy Person contract, which is £21 per hour).

3.3 The largest proportion of spend is on Homelessness provision which has an annual contract value of £1,020,556 (32%) followed by the generic floating support service at £828,583 (26%). The diagram below highlights the current percentage of spend across HRS by client group.



3.4 To ensure that the right level of services are commissioned in order to meet demand, a cross-council working group was established which was chaired by the Operational Director of ASC and included Heads of Service from Community Safety, Housing and ASC. A full consensus was reached by the group as to how services should be commissioned. As the Council is intending to commission all HRS service at LLW levels, this will mean commissioning fewer services/hours in order to remain within the current financial envelope, officers are confident that the commissioning proposals set out in this paper will sufficiently meet demand.

3.5 The proposed changes to services are set out below -

Client Group	Current hours	Proposed Hours
Older Persons Floating Support	234.5	150
Homelessness and ex-offenders	1,235	1,275
Mental Health	330	300
Handy Person Service	129.5	129.5
Teenage Parents	40	0
Young Person Homeless Service	332	332
Domestic Abuse services and single women with complex needs service	173	162

Generic floating support	890	740
TOTAL	3,364	3,088.5

- 3.6 **Older Person’s Floating Support.** The newly commissioned service will provide 150 hours per week rather than 234.5 this is a reduction of 84.5 hours per week. Since the start of the Covid-19 pandemic the current provider has switched to delivering services via phone calls, zoom, face-time, texting or have liaised with family members. Where face to face support has been delivered, this has often been either in gardens or in other outside venues. People have received fewer hours without a demonstrable impact on outcomes. These changes have shown the service can operate effectively on less hours, and although some face-to-face support has now resumed for those who are most vulnerable it is evident that not everyone will require such high levels of support on a weekly basis.
- 3.7 **Homelessness and Ex-Offenders.** We have retained the majority of the Homeless provision, as officers are aware that this client group is a key priority for the Council. Both of the large homeless hostels will be re-procured, together with some smaller shared housing. This will provide 177 units of accommodation and 1,179 hours of support per week compared with 1,235 hours of support, which is an overall reduction of 56 hours per week. However, the Council have been successful in securing some additional homelessness grant funding from MHCLG totalling £429,968 for a period of four years commencing April 2021, for an additional 24 units of homelessness provision. This means that there is an overall net increase of 40 support hours per week.
- 3.8 We also know that those people with the most complex needs achieve better outcomes when they are not placed in very large hostels. Thus, the Council wishes to move to smaller units of accommodation of no more than 20 units rather than continue to procure large-scale hostel provision such as Livingstone House. Therefore, our aim is to continue to commission the same level of provision but look to deliver in smaller units of accommodation and no longer continue to use Livingstone House, which has 92 units of accommodation by 2024. The specification will be clear that this is the Council’s intention.
- 3.9 **Mental Health.** All of the supported accommodation for Mental Health (MH) has been retained. However, the number of support hours have been reduced from 330 to 300 giving a reduction of 30 hours per week. This is because officers are aware that there are a high number of people who are ready to move on or who have very low needs, but are reluctant to move out into the private rented sector. The pandemic has also contributed to people’s unwillingness to move. Closer working between ASC and Housing in sourcing suitable accommodation is proving to be effective, but challenges remain given that many people have an assured shorthold tenancy and may choose to remain in the property.
- 3.10 Officers are proposing that the MH contract be commissioned as a peripatetic service whereby the provider can deliver the support hours based on individual

needs, unlike the current service, whereby each property has set number of support hours each week. The new model of service will allow the provider to 'flex' support hours either up or down dependent on the support needs of the individual.

- 3.11 **Handy Person Service.** The Handy Person service will be retained and commissioned with no change to the existing number of hours.
- 3.12 **Teenage Parents.** The Council are proposing not to re-commission any of the 20 units of Teenage Parent services. ONS figures show that teenage pregnancy has reduced year on year for the past 11 years and there is a reduced demand for this service. There has been continued voids within this service with at least 4 of the 20 units being void at any one time equating to a 20% void rate. Teenage parents would also be in priority need for housing so would not become homeless. The Council could also provide floating support from the generic floating support service, should additional support be required.
- 3.13 **Young People.** This service will remain unchanged. Given that there has been a significant increase in homelessness coupled with the fact that the service runs at full capacity it was agreed that the level of provision should not be amended. We will however remodel some of the smaller sites to cater specifically for Young People with MH needs, as there is evidence to suggest that some of the younger people accessing this service would benefit from some specialist MH support
- 3.14 **Domestic Abuse (DA) Services and Single Women with Complex Support Needs Service.** As this client group is a priority, officers have increased the refuge units for women from 19 to 23. The additional units will be specifically for women who live in Brent and have been deemed safe to remain in the Borough. In addition, we have increased our single women's with complex support needs service from 6 to 9 as there is ongoing evidence that there is insufficient service provision for single women who are unsuitable to access DA refuges due to being high risk. We will not be re-commissioning the Domestic Abuse floating support service as the Council will be able refer women into either the community Independent Domestic Violence Advocacy Service (IDVA) service or the Generic floating support service, should they require additional support in the community.
- 3.15 Officers in ASC have been working closely with colleagues in Community Safety in respect of commissioning an extended community Independent Domestic Violence Advisor (IDVA) service. This new IDVA service will provide support to more women within the community as the service will support and work over the short- to medium-term with women and Children and put them on the path to long-term safety. IDVA workers receive specialist accredited training and hold a nationally recognised qualification so support is much more tailored to addressing the specific issues of women fleeing domestic abuse.
- 3.16 **Generic Floating Support** – the current Generic Floating support service is currently underutilised. Data shows that throughput is on average around 8 weeks, which allows the service to be able to cope with the ebbs and flow of

demand. As such, we feel that the service could continue to meet demand with a reduction of 150 hours per week, this will still leave 740 hours of support per week and the second largest service after homelessness.

- 3.17 Officers are seeking to invite tenders for the following number of Housing Related Support services/units/hours (HRS)
- 3.18 We are proposing that the duration of all the HRS contracts will be for a period of three years, with the option to extend for a further two years on a one plus one basis.
- 3.19 ASC are confident that there will be provider interest for bidding for these services. A market engagement will be held in February to encourage and alert the market to the proposed tender.
- 3.20 Tenders will be sought by way of a single stage open competition tender process within the following lot structure based on specialist needs
- 3.21 If consent is given to proceed to tender, commissioners will intensively manage the contract award and mobilisation process in partnership with council stakeholders and the identified providers for each of the seven contracts.
- 3.22 The budgets for each of the services are highlighted below. Finance are in agreement with the proposed financial envelope, which takes account of London Living Wage. Further detailed financial information is provided at Section 4.
- 3.23 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Cabinet.

Ref.	Requirement	Response
(i)	The nature of the service	7 Housing Related Support service contracts relating to support needs relating to Homelessness, Ex offender, Young People, Domestic Violence, generic floating support, Older Persons floating support and Handy Person service
(ii)	The estimated value.	£15,189,940 over the possible 5 year contract term
(iii)	The contract term.	Initial contract term three years with the option to extend for a further two years on a one plus one basis.
(iv)	The tender procedure to be adopted.	Open tender process
v)	The procurement timetable.	Indicative dates are:
		Market engagement

Ref.	Requirement	Response	
		Invite to tender	18 th February 2021
		Deadline for tender submissions	22 nd March 2021
		Panel evaluation	April /May 2021
		Contract decision	w/c 07/06/2021
		Strategic Director approval	w/c14/06/2021
		Notification of award Minimum 10 calendar day standstill period – notification issued to all tenderers and additional debriefing of unsuccessful tenderers (05/07/21-15/07/21
		Contract Mobilisation	August-October 21
		Contract start date	1 st November 2021
(vi)	The evaluation criteria and process.	<ol style="list-style-type: none"> 1. At initial stage based on evaluation criteria published and the use of a supplier questionnaire 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. 2. 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 criteria : <ul style="list-style-type: none"> • Safeguarding • Support and Care planning including risk management • Working effectively with service users to achieve outcomes 	

Ref.	Requirement	Response
		<ul style="list-style-type: none"> • Workforce proposals including staffing developments, satisfaction of workforce, staffing retentions • Mobilisation
(vii)	Any business risks associated with entering the contract.	The following business risks are considered associated with entering into the proposed 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 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.	As all services have been in operation between 1 and 10 years, 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.

3.24 Cabinet is asked to give its 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 the services to be provided under the contracts over the contract term of 3 years plus two years on a one plus one basis (5 years in total) is £15,189,940

4.2 It is anticipated that the cost of these contracts will be funded from existing resources.

4.3 The current annual HRS budget of £3,045,491 is to be retained over the next 5 years, thus there is no financial risk to the Council. The maximum hourly rate of £19.50 has been modelled based on a LLW hourly rate of £11.00 per hour. We do not therefore expect there to be any LLW increase during 2021/22 for HRS

as long as the LLW does not increase above £11.00 per hour. It is expected future London Living Wage increases will be able to be funded from the annual contractual inflation budget allocated to Adult Social Care. However, if the London Living Wage uplift is greater than budgeted then this additional amount may need to be funded from the Council's social value budget.

4.4 The table below provides the contract costs breakdown for each service lot area per annum. The total HRS budget for the 5-year period is **£15,189,940**

Client Group	Current Hourly Rate	Current Annual Cost	LLW Hourly Rate	Future annual contract cost based on LLW	Difference
Homelessness and Ex-offenders	£16.73	£1,020,556	£19.50	£1,204,825	£184,269
Mental Health	£15.51	£313,056	£19.50	£305,019	-£8,037
Young Persons Service	£15.23	£270,472	£19.50	£327,387	£56,915
Domestic Abuse and Complex Women's service	£15.23	£180,595	£19.50	£164,710	-£15,885
Teenage Parents	£15.23	£33,599	£0.00	£0	-£33,599
Generic Floating Support	£17.46	£828,583	£19.50	£752,380	-£76,203
Handyperson Service	£21.00	£141,795	£19.50	£131,158	-£ 10,637
Older Persons Floating Support	£21.00	£256,763	£19.50	£152,509	-£104,254
	Current Hourly Rate	£3,045,419		£3,037,988	-£ 7,431

5.0 Legal Implications

5.1 Under the Public Contracts Regulations 2015 ('the EU Regulations'), the services to be procured as set out in this report, fall within Schedule 3 services. Based on the estimated value of the HRS services, both individually and collectively the procurement is subject to partial application of the EU Regulations. The Council is therefore required to publish a contract notice in the Official Journal of the European Union (OJEU) and undertake some form of competitive process in

accordance with the EU Treaty principles of equal treatment, non-discrimination, fairness and transparency, before the contract is awarded.

- 5.2 Based on the value of the contracts over their lifetime the contracts will be classed as high value. As such, Cabinet approval of the pre-tender considerations set out in paragraph 3.21 above (Standing Order 89) and the inviting of tenders (Standing Order 88) is required.
- 5.3 Once the tendering process is undertaken Officers would generally report back to the Cabinet in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award. However, delegated authority is sought from Cabinet to the Strategic Director of Community and Wellbeing in consultation with the Lead Member for Adult Social Care, to award the contracts for Housing Related Support (HRS) on completion of the procurement process.
- 5.4 Officers will observe the requirements of the 10 calendar standstill period under the EU Regulations before the 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 period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contracts may commence.

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.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 The lead member for ASC has been consulted and consultation with providers and service users has commenced and is ongoing

8.0 Human Resources/Property Implications (if appropriate)

- 8.1 The services are currently provided by external providers and there are no direct staffing implications for the Council arising from the tender process. As part of the procurement process, employee liability information will be sought from current contractors and provided to the tenderers. The TUPE process and any issues that may arise from it will be managed during the mobilisation phase, which will be at least two months between contract award and commencement.

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 of Community and Wellbeing.