

	<b>Decision by Cabinet Member for Housing, Homelessness &amp; Renters Security</b>
	<b>Report from the Corporate Director, Resident Services</b>
<b>Approval to waive Contract Standing Orders to permit procurement of a Housing First Service for Rough Sleepers through a Direct Award</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Non-Key Decision
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	None
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> (Name, Title, Contact Details)	Laurence Coaker Head of Housing Email: Laurence.coaker@brent.gov.uk

## 1. Purpose of the Report

- 1.1. This report concerns the procurement of a Housing First Service for rough sleepers funded by the Department of Levelling Up, Homes and Communities (DLUHC) under its Rough Sleeper Initiatives (RSI) Grant, and the Greater London Authority (GLA) under its Rough Sleepers Accommodation Programme (RSAP). The Council currently has a contract with St Mungo Community Housing Association to deliver this service. The contract is due to expire on 31 March 2024. However, the grant funding for this intervention expires on 31 March 2025.
- 1.2. The purpose of this report is to seek member approval to waive Contract Standing Orders to enable a direct award of a contract for a Housing First Service. The case for direct award, as opposed to a full tender process, is set out in the detail below.

## **2.0 Recommendation(s)**

That the Cabinet Member for Housing, Homelessness & Renters Security having consulted with the Leader:

- 2.1. Approves an exemption pursuant to Contract Standing Order 84(a) of the requirement to tender a contract for a Housing First Service for a period of for a period of 13 months from 1 April 2024 to 30 April 2025, in accordance with paragraph 13 of Part 3 of the Constitution. The value of the contract for the thirteen (13) months is £231,672 including VAT although it should be noted the Provider does not charge VAT for this service.

## **3.0 Detail**

### **3.1 Contribution to Borough Plan Priorities & Strategic Context**

This contract will contribute to 3 of the priorities in the borough plan through social value namely,

- Best Start in Life
- Thriving Communities:
- A Healthier Brent : Number of course sessions encouraging physical activity for clients resident in our Brent services.

### **3.2 Background**

3.2.1 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.

3.2.2 A number of government led initiatives have also been introduced nationally such as Rough Sleeping Initiative, Single Homeless accommodation Programme, Housing First and Rough Sleeping Drug and Alcohol Treatment grant.

3.2.3 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.

3.2.4 Despite these efforts however, rough sleeper counts have been rising. Government statistics for 2023 recorded a 22.7% increase in the number of people sleeping rough in England since 2022.

#### **RSI Grant**

3.2.5 The Rough Sleeping Initiative was first announced in March 2018 to make an immediate impact on the rising levels of rough sleeping. Since 18/19, the Council's Housing Needs Service has submitted bids to the Department of

Levelling Up, Housing and Communities (DLUHC), (previously known as Ministry of Housing, Communities & Local Government) for funding under the Rough Sleeper Initiative (RSI) grant, to help tackle rough sleeping nationally.

- 3.2.6 This Housing First service is designed to assist up to 18 entrenched rough sleepers with a chance to rebuild their lives. The provider identifies individuals known to outreach teams. The Council then approves and assists with sourcing and allocating accommodation to each individual and the provider continues to provide support on an individual basis.
- 3.2.7 The Council following a tendering exercise that included: seeking expressions of interest on 4 February 2021, and receiving two valid tenders for the Housing First service on 8 March 2021, entered into a contract for the provision of a Housing First service for Rough Sleepers (the Contract) with St Mungo Community Housing Association (St Mungo's). The Contract, which commenced on 1 July 2021, was let for an Initial Contract Period of nine months with an option to extend it for up to two years (31 March 2024). The Contract has been extended for those two years and it is therefore due to expire on 31 March 2024. However, the Council has secured RSI funding to support 12 entrenched rough sleepers until 31 March 2025.

### **RSAP Grant**

- 3.2.8 The Council received additional funding from Greater London Authority (GLA) in 2020 to assist a further 6 entrenched rough sleepers under the Housing First model. This funding received under the Rough Sleepers Accommodation Programme (RSAP), enabled the Council to vary and add 1.7 FTE Housing First workers from November 2020 onto the existing contract with St Mungo's. The Council has secured RSAP funding for this initiative until 31 March 2025.
- 3.2.9 Officers will submit a further bid for government funding to the Department of Housing, Levelling Up, Homes and Communities (DLUHC) under their annually allocated RSI grant in January 2025. Officers expect DLUHC and the GLA will communicate whether or not the Council has been successful on its bid for funding in May 2025. As there are no further options to extend the Contract with St Mungo's, this report seeks an exemption to the general requirement under the Council's Contract Standing Order to seek quotes so the Corporate Director, Resident Services can direct award a contract for the provision of a Housing First service for rough sleepers for a period of thirteen (13) months to St Mungo's so that this service can be aligned with the current funding and allow officers to go out to tender in September 2024 to reprocure this service subject, to the new RSI and GLA Grant determination. An additional month (1 April – 30 April 25) has been added to the extension to allow the Council to receive the RSI and RSAP funding which is expected in May 2025.
- 3.2.10 Officers considered re-procuring the service however the new contract would only cover a period of 13 months of guaranteed funding under the RSI services which does not render this an attractive commercial opportunity for potential bidders. Starting a contract in May 2025 will provide bidders with confidence of

the services they will be expected to deliver (assuming the grant funding covering 2025 – 2028 is awarded in May 2025) and the staff that are to transfer. This also assumes Department of Levelling Up, Housing and Communities (DLUHC) and the GLA give permission to continue Housing First services.

3.2.11 Officers intend to commence the procurement process for a new contract in September 2024 when the Council may know if grant funding is available. The tender exercise should not take longer than four to six months and will state that it is subject to funding being confirmed. Officers consider that starting a contract in May 2025 is the most sensible decision to ensure value for money by securing a good number of bids. In the interim, to ensure continuity of existing Housing First services, a direct award is recommended.

3.2.12 The cost of the proposed interim contract will be funded from the Department for Levelling Up, Housing and Communities (DLUHC) Rough Sleeping Initiatives grant and the RSAP grant up to 31 March 2025. A further one month's extension for period 1 April to 30 April 2025 will be funded by the Housing Needs General Fund as the new RSI funding is expected.

#### **4.0 Stakeholder and ward members consultation and engagement**

4.1 The individual Cabinet member has consulted the Leader in respect of this contract.

#### **5.0 Financial Implications**

5.1 The cost of the current contract is funded from the Department for Levelling Up, Housing and Communities (DLUHC) Rough Sleeping Initiatives grant, that has been allocated £3.9m from 2022-2025. The cost of the extension for period 1 April 2024 to 31 March 2025 will be funded from the tranche payment for 24-25, which is expected to be £1.2m. A further one month's extension for period 1 April to 30 April 2025 will be funded by the Housing Needs General Fund, although, the new RSI funding allocation is expected in May 2025.

#### **6.0 Legal Considerations**

6.1 In accordance with paragraph 13 of Part 3 of Brent's Constitution, the Leader has delegated certain functions to Cabinet members to be exercised within their portfolio area in consultation with the Leader. This delegation includes agreement of waivers of Contract Standing Orders for Medium and High Value Contracts.

6.2 The services/ Officers are proposing to procure are valued at £231,672 including VAT (see paragraph 2.1) over the contract term (thirteen months) and the proposed contract is thus classified as a Medium Value Contract under Contract Standing Orders. Contract Standing Orders provide that a Medium Value Contract should be procured by way of a tender process but for the reasons detailed in the body of the report, Officers do not consider it is possible to procure the contract by way of a tender process.

- 6.3 The proposed contract falls within the health, social and related services category listed in Schedule 3 of the Public Contract Regulations 2015 (“the Regulations”) that currently have a threshold set at £663,540. Therefore, the proposed contract award is not subject to the full application of the Regulations but still subject to the principles of equal treatment, transparency, and non-discrimination. Officers have set out in section 3 of this report that they are proposing a direct contract award as opposed to a full tender process on the basis that do not consider tendering the proposed contract will be an attractive commercial opportunity for potential bidders or suppliers.
- 6.4 In reaching any decision to waive Contract Standing Orders, the Cabinet Member in consultation with the Leader should have regard to the reasons Officers have set out in Section 3 of the report and assess those against the requirements set out above.

## **7.0 Equity, Diversity & Inclusion (EDI) Considerations**

- 7.1 Pursuant to s149 Equality Act 2010 (the “Public Sector Equality Duty”), the Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,
- 7.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.3 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.
- 7.4 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.
- 7.5 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications.

**8.0 Climate Change and Environmental Considerations**

N/A

**9.0 Human Resources/Property Implications (if appropriate)**

N/A

**10.0 Communication Considerations**

N/A

**Report sign off:**

***Peter Gadsdon***

Corporate Director, Resident  
Services