

	Officer Key Decision
	Report to the Corporate Director of Service Reform and Strategy
AUTHORITY TO EXTEND CONTRACTS FOR 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
List of Appendices:	None
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Edwin Mensah Head of Commissioning Contracting and Market Management Edwin.mensah@brent.gov.uk

1.0 Executive Summary

- 1.1. This report requests authority to extend contracts in respect of Housing Related Support Services as required by Contract Standing Order 112. The report summarises the reasons for the request to extend the contracts and the duration of the extension.
- 1.2. The contracts for five of the Housing Related Support services commenced in April 2022 for five years on a 3+2 basis. The contracts were subsequently varied to allow 1-year extensions to take place. This report seeks permission to take up the final extensions allowed under the contract terms.
- 1.3. The contract for the sixth service, Generic Floating support services commenced in July 2023 for three years with an option to extend for a further two yearly period on a 3+1+1 basis. This report seeks permission to take up the first extension allowed under the contract terms.

2.0 Recommendation(s)

That the Corporate Director, Service Reform and Strategy:

- 2.1 Approves the extension of the following Housing Related Support Services contracts for a period of 12 months from 1 April 2026:
 - 2.1.1 contract for the provision of Short-Term Housing Related Support Service for Homeless and Ex-Offenders with Look Ahead Care and Support Ltd;
 - 2.1.2 contract for the provision of Housing Related Support Services for Adults with Mental Health in Short-Term Accommodation with Hestia Housing & Support;

- 2.1.3 contract for the provision of Housing Related Support – Handy Person Services with Elders Voice;
 - 2.1.4 contract for the provision of Short Term (Crash Pads) Accommodation Based Housing Related Support Services for Young Persons (18-21) with Depaul UK;
 - 2.1.5 contract for the provision of Short-Term Housing Related Services for Women’s Domestic Violence Refuge and Single Women with Complex Needs Service with Hestia Housing & Support.
- 2.2 Approves the extension of the contract for the provision of Generic Floating support with Penrose Options for a period of 12 months from 3 July 2026.

3.0 Detail

Contribution to Borough Plan Priorities & Strategic Context

3.1 The Housing Related Support contracts contribute to Brent Council's Borough Plan outcomes. These services work with vulnerable adults with diverse and significant needs, including learning difficulties, mental health conditions, substance misuse issues and older adults and young people who are homeless. These services are crucial in enhancing resident well-being and helping the council to address homelessness in Brent.

3.2 Background

3.3 Housing Related Support (HRS) provides non-statutory time limited (up to 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.

3.4 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.

3.5 HRS is a preventative service and 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.

3.6 In April 2022, the Council entered into five Housing Related Support contracts following a single procurement process split into separate Lots. The Council entered into contracts with the following providers for a period of three years with an option to extend for two years::

This table contains the 5 years values based on the contract award figures in the original award report (excluding the General Floating Support contract).		
Services and Client Groups	Provider	Total contract value
Homelessness and ex-offender Service	Look Ahead Care & Support Ltd	£5,421,342.08

Mental Health Service	Hestia Housing & Support	£1,495,257.50
Handy Person Service	Elders Voice	£658,335.00
Young Person Service (18-21) and crash pads	DePaul UK	£1,651,685.00
Domestic Abuse and Complex Women's Service	Hestia Housing & Support	£951,705.00

This table contains the 1 year values for 2025-2026 for these contracts (excluding the General Floating Support contract).

Services and Client Groups	Provider	Total contract value
Homelessness and ex-offender Service	Look Ahead Care & Support Ltd	£1,259,844.22
Mental Health Service	Hestia Housing & Support	£347,129.88
Handy Person Service	Elders Voice	£151,045.15
Young Person Service (18-21) and crash pads	DePaul UK	£381,591.18
Domestic Abuse and Complex Women's Service	Hestia Housing & Support	£224,445.06

- 3.7 It was not possible to award the contract for Lot 1, the provision of Generic Floating Support Service due to bidders not meeting the required minimum quality scores. A further procurement exercise was undertaken to award this contract to a provider. On 3 July 2023, the Council entered into a contract for Generic Floating Support Services with Penrose Options, for a period of three years with an option to extend by two yearly periods (on a 3+1+1 basis). The total contract value over the full term (including extensions) is £3,738,617.70. The estimated value for the 12-month extension is £858,675.41.

Generic Floating Support Service with Penrose Options

- 3.8 The Council entered into a contract with Penrose Options on 3 July 2023 with a total contract value of £3,738,617.70. The contract has reached a point where approval is now required to extend the contract for 12 months from 03/07/2026 by exercising the option to extend provided for in the contract. Officers are satisfied with the services provided by Penrose and recommend the extension of the contract.

Lot 2 - Homelessness and ex-offender Service with Look Ahead Care & Support Ltd

- 3.9 The Council entered into a contract with Look Ahead Care & Support Ltd on 1 April 2022 with a total contract value of £5,421,342. The contract was varied on 29 March 2025 to enable a 1-year extension to take place. The contract was subsequently extended for 1 year from 01/04/2025 to 31/03/2026. The contract has reached a point where approval is now required to extend the contract for a further 12 months from 01/04/2026 by exercising the final option to extend provided for in the contract. Officers are satisfied with the services provided by Look Ahead Care & Support Ltd and recommend the extension of the contract.

Lot 3 - Mental Health Service with Hestia Housing & Support

- 3.10 The Council entered into a contract with Hestia Housing & Support on 1 April 2022 with a total contract value of £1,495,257. The contract was varied on 29 March 2025 to enable a 1-year extension to take place. The contract was subsequently extended for 1 year from 01/04/2025 to 31/03/2026. The contract has reached a point where approval is now required to extend the contract for a further 12 months from 01/04/2026 by exercising the final option to extend provided for in the contract. Officers are satisfied with the services provided by Hestia Housing & Support and recommend the extension of the contract.

Lot 4 – Handy Person Service with Elders’ Voice

- 3.11 The Council entered into a contract with Elders Voice on 1 April 2022 with a total contract value of £658,335.00. The contract was varied on 29 March 2025 to enable a 1-year extension to take place. The contract was subsequently extended for 1 year from 01/04/25 to 31/03/2026. The contract has reached a point where approval is now required to extend the contract for a further 12 months from 01/04/2026 by exercising the final option to extend provided for in the contract. Officers are satisfied with the services provided by Elders Voice and recommend the extension of the contract.

Lot 5 - Young Person Service (18-21) and crash pads with Depaul UK

- 3.12 The Council entered into a contract with Depaul UK on 1 April 2022 with a total contract value of £1,651,685. The contract was varied on 29 March 2025 to enable a 1 year extension to take place. The contract was subsequently extended for 1 year from 01/04/25 to 31/03/2026. The contract has reached a point where approval is now required to extend the contract for a further 12 months from 01/04/2026 by exercising the final option to extend provided for in the contract. Officers are satisfied with the services provided by Depaul UK and recommend the extension of the contract.

Lot 6 - Domestic Abuse and Complex Women’s Service – Hestia Housing and Support

- 3.13 The Council entered into a contract with Hestia Housing & Support on 1 April 2022 with a total contract value of £951,705.00. The contract was varied on 29 March 2025 to enable a 1-year extension to take place. The contract was subsequently extended for 1 year from 01/04/25 to 31/03/2026. The contract has reached a point where approval is now required to extend the contract for a further 12 months from 01/04/2026 by exercising the final option to extend provided for in the contract. Officers are satisfied with the services provided by Hestia Housing & Support and recommend the extension of the contract.
- 3.14 Granting these contract extensions will ensure that vulnerable people in the specified client groups are well supported. There are no significant concerns with the service providers and continuing with the services maintains the stability of care and support for service users. If the council was unable to extend the contracts continuity of care would be put at risk and alternative approaches to support would need to be put in place for a vulnerable client group, and officers therefore believes that the extension of the contracts would secure best value for the Council.
- 3.15 Work will take place in the coming months to review the current contracts. Whilst extending existing contracts is sensible at the current time, there have been changes to the service user landscape in Brent since the contracts were awarded. For example,

there has been a drastic increase in demand from local people requiring assistance due to homelessness or risk of homelessness. Clients approaching the council with housing needs can often have a range complex needs and vulnerabilities and because of this it makes sense to review whether the current configuration of services and contracts are fit for purpose given the change in need and demand.

- 3.16 In April 2024, the Council's Senior Management Team was restructured and created a Housing Needs and Support department within the Partnerships, Housing and Resident Services Directorate. As part of this, it was determined that services such as Housing Related Support would be better located in Housing and Resident Services
- 3.17 In the early part of 2025 and in conjunction with a local partner in the borough a review was undertaken to establish the most effective way forward for securing these vital services for the future, with an emphasis on the borough's priorities and ensuring there is a clear set of achievable outcomes within these services and that we maintain a high level of throughput. A paper detailing the way forward will be produced in the Spring of 2026 which will detail how the Council will approach the re-procurement of these services.
- 3.18 That review is complete and it has been recommended that Housing Related Support Services move into Accommodation Services in Housing Needs and Support where they will be commissioned in future. Five of the six commissioned services will move into Housing Needs and Support, as the services provided better align to work in the Housing Needs and Support than Adult Social Care. The Handy Person Service will remain under Adult Social Care as ASC are the main referrers to that service.
- 3.19 Once the commissioning responsibility is transferred, the contracts will be reviewed to determine whether specifications need to be changed and updated in order for the services to be recommissioned at some point in the future. There will be wider engagement with stakeholders including service users when this review takes place in order to inform any recommissioning of services. As things stand, the contract end dates should the extension provisions in the contracts be utilised are 31st March 2027 (for all contracts except Generic Floating Support, which ends in July 2028, subject to the extension provisions in that contract being utilised) and the services would need to be re-tendered by these dates.
- 3.20 Under section 3(b) of the table at paragraph 9.5 of Part 3 of the Constitution, Corporate Directors are able to extend contracts and agreements without the need for Cabinet approval provided that:
 - (a) The extension would not be in breach of Procurement Legislation.
 - (b) The extension does not substantially alter the terms and conditions of the contract.
 - (c) There is sufficient existing budgetary provision.
 - (d) If the extension goes beyond the period of extension provided for in the contract (if any) or is otherwise not in accordance with the extension provisions in the contract:
 - (i) in the case of any contract, agreement, deed or other transaction with a life of not more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of six months;
or

(ii) in the case of any contract, agreement, deed or other transaction with a life of more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of one year.

(e) The relevant cabinet member shall be consulted prior to a decision within (d) (i) or (ii) above and may request that the decision instead be referred to them.

3.21 It is considered that the Corporate Director, Service Reform & Strategy has delegated authority to agree the extension as, in addressing the points detailed in paragraph 3.20:

(a) The proposed extensions of 12 months were provided for when the contracts were let and is thus permitted in accordance with Regulation 72(1)(a) of the Public Contracts Regulations 2015;

(b) The proposed extensions are in accordance with the contract provisions and does not substantially alter the terms and conditions of the contract;

(c) The extensions do not go beyond the period of extension provided for in the contracts and is in accordance with the extension provisions in the contracts and therefore sub-paragraphs (d)(i) and (ii) do not apply;

(d) The requirement to consult with the relevant cabinet member does not apply as the decision does not fall within (d) (i) or (ii).

4.0 Stakeholder and ward member consultation and engagement

4.1 There is no consultation required with the Ward members and Stakeholders.

5.0 Financial Considerations

5.1 The value of the five commissioned services contract extensions is a total of £3,071,685.75 per year which includes annual inflation uplifts since 2022/23 up to 2025/26.

5.2 The cost of this annual extension exceeds the current available budget of £2,670,870 in 2025/26 as the proposed extension is estimated at £3,071,685. This creates a budgetary gap of £400,815 as at 2025/26 on Service Reform and Strategy directorate budget. This gap will however further increase once the annual inflation uplifts for 2026/27 are applied if the budgets are not adjusted for 2026/27.

5.3 The costs of these contract extensions will therefore impact on the Council's financial position for 2026/27 unless other mitigating savings and/or growth can be identified to reduce these costs.

5.4 It is worth noting that the Housing Needs and Support service are currently exploring the option of an outcomes based, payment by results service which may impact on the amount being paid for each contract once the five contracts are transferred over to Accommodation Services in Housing Needs and Support the team.

6.0 Legal Considerations

6.1 Officers recommend the extension of the contracts for Housing Related Services, as set out in paragraph 3.6 and paragraphs 3.9 to 3.11, with the contractors set out in paragraph 2.1 for a period of 12 months from 1 April 2026. Officers further recommend

extending the contract for Generic Floating Support Services with Penrose Options for a period of 12 months from 3 July 2026, as set out in paragraph 3.8.

- 6.2 The contracts were procured prior to 24 February 2025, as such, the contracts are governed under the Public Contracts Regulations 2015 (PCR 2015). The value of the contracts are such that they are subject to full application of the PCR 2015.
- 6.3 A contract may only be modified (to include an extension) without a new procurement procedure where this is done in accordance with Regulation 72 of the PCR 2015. Regulation 72 sets out various circumstances in which it is possible to extend a contract. Regulation 72(1)(a) provides that a contract may be modified where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses—
- (i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and
 - (ii) do not provide for modifications or options that would alter the overall nature of the contract or the framework agreement;

The contracts all contain express provisions allowing for the options to extend by 12 months, and was provided for in clear, precise and unequivocal review clauses in the initial procurement documents, and as such the extensions are permitted in accordance with Regulation 72(1)(a) of the PCR 2015.

- 6.4 The Corporate Director, Service Reform and Strategy is authorised pursuant to Paragraph 9.5 of Part 3 of the Constitution to extend contracts subject to the conditions set out in paragraph 3.20 above. As set out in paragraph 3.21 above, none of these conditions preclude the Corporate Director, Service Reform and Strategy from agreeing the recommended extensions.
- 6.5 In accordance with Contract Standing Order 112, the Corporate Director, Service Reform and Strategy, should only agree to extend the contracts if the extensions will achieve best value and is reasonable in all the circumstances. The Corporate Director is referred to section 3 of this report for further information.
- 6.6 As the decision that is being sought here is a Key Decision, the decision may not be taken by the Corporate Director unless this matter has been published on the Forward Plan. The Key Decision must be published on the Forward Plan (Paragraph 30 of the Access to Information Rules) and must be included on the Forward Plan not less than 28 days before the decision is to be made. (Paragraph 34 of the Access to Information Rules). The decision has been placed on the Forward Plan for the requisite period. The decision will be subject to a 5 clear day call-in period before it can be implemented, provided there is no call-in.

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.

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

8.0 Climate Change and Environmental Considerations

8.1 Given the nature of the services, Officers do not envisage that there will be any direct Climate Change and Environmental considerations.

9.0 Human Resources/Property Considerations (if appropriate)

9.1 These services are currently provided by external contractors and there are no implications for Council staff arising from extending the contracts.

10.0 Communication Considerations

10.1 As these are extensions of existing contracts there are no plans to engage widely with stakeholders on the proposals.

Report sign off:

Rachel Crossley
Corporate Director Service Reform and Strategy